# Economic Indicators

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## Hawaii in 1982: Recap and Outlook

Hawaii's economy continued sputtering weakly in 1982. Tourist arrivals and defense expenditures made good gains, but gains in these major sectors were cancelled by poor performances in a number of other sectors. Sugar, pineapple, and diversified agriculture all had troubles, diversified manufacturing declined, real estate remained depressed, and construction slumped further. Reflecting the weakness of the overall economy, the total number of jobs fell slightly, unemployment insurance claims increased, and retail sales dropped two percent in real terms (after adjustment for inflation). Total personal income for the first three quarters was up less than one percent in real terms, with what increase there was stemming largely from increases in transfer payments (welfare and Social Security) and property income (interest and rents). One bright spot was the slowdown in inflation, but on balance it was another unsatisfactory year.

We expect the economy to show some improvement in 1983. The extremely high interest rates that stifled economic activity for the last couple of years have slid to more tolerable levels. Lower rates will stimulate consumer spending, particularly for durable goods like cars and refrigerators; real estate should begin moving; and homebuilding will pick up. In addition, the rebuilding following Hurricane Iwa, funded largely by outside money in the form of insurance and federal disaster relief payments, will help the depressed construction industry. And tourism and defense, the mainstays of the economy, will continue strong.

Last year tourism rebounded after two flat years, with the visitor count increasing 7.8 percent and passing the four million mark for the first time. The increase was largely due to bargain air fares, thanks to a price-cutting battle between two new low-cost airlines and the established airlines serving the West Coast market. Other factors in the upturn were unusually cold weather in the East and Midwest during the winter months, and the Hawaii '82 campaign, the biggest effort ever undertaken to promote Hawaii tourism. However, more visitor arrivals didn't bring prosperity to the industry: those attracted by the discount fares weren't big spenders, and the many hotel rooms added right through the two-year tourist recession have kept occupancy down and room rates low. Waikiki and Kaanapali enjoyed fairly good occupancy rates, but other resorts suffered. It will take a number of years of increasing visitor flows before the excess hotel room capacity can be absorbed.

For 1983 we are forecasting a 5 percent gain in visitor numbers, a smaller rate of growth than in 1982 but we feel the catch-up factor in 1982 was large, coming on the heels of two flat years. The improving national economy augurs well for the industry, heavy promotion will help, and continued carrier overcapacity should keep air fares competitive.

The defense industry has remained relatively unscathed throughout the recession, even recording a substantial real gain with Washington's efforts to bolster national security. Last year civilian defense employment in Hawaii reached a nine-year high, and military expenditures increased to $1,718 million, up 17.3 percent from 1981. Military spending here will continue to rise in 1983, although probably at a slower rate than last year as there will be a smaller increase in pay rates and as Congress is seeking to trim the Administration's proposed defense budget for 1983-84.

The sugar industry cut its big 1981 loss by a large margin last year, but still ended with a loss for 1982, although some plantations showed a little profit. The industry was held above water by government support programs—price support, tariffs, fees, and import quotas. But such programs are open to attack in Congress, and the long-range future remains in doubt. The oversupply situation is not expected to improve this year because the European Common Market has no plans for a meaningful reduction in planting of its heavily subsidized sugar. So the Hawaii sugar industry is expecting a flat year, at best a small profit.

The pineapple industry is also beset with a world oversupply situation, and not much relief is in sight for this year. Hawaii's production will be cut, some of it permanently. But unless pineapple production is reduced in other areas of the world, our industry faces a tough future.

Diversified agriculture had a poor year in 1982. The dairy industry suffered a major setback with losses resulting from heptachlor contamination. Beef prices were weak, here and nationally. And weather took its toll on most crop areas last year. If the weather is not as destructive in 1983 as it was last year, the industry should resume its upward climb with export markets getting stronger as the national economy improves.

The value of construction put in place in 1982 was down 16.5 percent—not quite as bad as was expected before Hurricane Iwa hit. Declining private and public construction authorizations for the last two years, and the currently overbuilt inventory of hotels, condominiums, shopping centers, and office space made the drop in 1982 inevitable and foreshadowed a further drop for 1983. But the ill winds of the hurricane in November at least blew the construction industry some good—repair work improved the December figures, and rebuilding in 1983 could reverse the industry's decline. Another plus for 1983 is lower interest rates which should spur renewed building of single-family housing (the inventory of new single-family housing is low). There is certainly no big upturn in sight, but the industry should do better than it did last year.

So, with some parts of the economy moving and some still malfunctioning, the ride toward recovery in 1983 is likely to be a slow and bumpy one.



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# business activity - hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **TOURISM** | | | | | |
| OVERNIGHT OR LONGER VISITORS | number | January | 325,439p | −5.1 | −3.3 |
| Westbound | number | January | 252,419p | −2.7 | −1.6 |
| Eastbound | number | January | 73,020p | −12.3 | −8.7 |
| AVERAGE DAILY VISITOR CENSUS[1] | number | January | 90,113p | −0.6 | −8.6 |
| AVERAGE LENGTH OF STAY[1] | no. of days | January | 11.1 | 2.8 | −6.7 |
| MEETINGS ATTENDANCE | number | January | 25,921 | 97.3 | 135.7 |
| ORGANIZED GROUP TOURS | number | January | 55,303p | n.c. | −4.5 |
| NEIGHBOR ISLAND VISITORS[1] | | | | | |
| Maui | number | January | 125,856p | n.c. | 2.1 |
| Hawaii | number | January | 61,769p | n.c. | 6.7 |
| Kauai | number | January | 44,024p | n.c. | −24.6 |
| VISITOR ACCOMMODATIONS | | | | | |
| STATE | number | February | 58,765 | −0.3 | 1.4 |
| Oahu | number | February | 34,354 | −0.7 | 2.6 |
| Waikiki | number | February | 30,108 | 0.0 | 3.7 |
| Maui (includes 11 on Lanai) | number | February | 12,121 | 7.0 | 4.4 |
| Molokai | number | February | 628 | 1.8 | 13.2 |
| Hawaii | number | February | 7,469 | 4.9 | 4.2 |
| Kauai | number | February | 4,193 | −20.2 | −18.5 |
| HOTEL OCCUPANCY | | | | | |
| STATE | percent | January | 63.38 | −1.9 | −6.6 |
| Oahu | percent | January | 70.62 | −1.6 | −9.6 |
| Maui | percent | January | 65.73 | −3.3 | −3.6 |
| Hawaii | percent | January | 41.80 | 1.2 | 10.6 |
| Kauai | percent | January | 43.79 | 1.1 | −14.6 |
| **DEFENSE EXPENDITURES** | | | | | |
| APPROPRIATED FUNDS TOTAL | mil. $ | 4th Qtr. 1982 | 442.3p | −1.8 | 9.8 |
| Military Payroll | mil. $ | 4th Qtr. 1982 | 189.9p | 2.0 | 8.9 |
| Civilian Payroll | mil. $ | 4th Qtr. 1982 | 146.7 | 8.1 | 8.7 |
| Local Purchases | mil. $ | 4th Qtr. 1982 | 105.7p | −17.7 | 13.3 |
| **SUGAR** | | | | | |
| SUGAR PRODUCTION | thous. tons | Jan. 1-Feb. 26 | 62 | ..... | 46.1 |
| N. Y. RAW SUGAR PRICE | $/ton | February | 435.24 | 2.5 | 22.4 |
| **PINEAPPLE SHIPMENTS** | | | | | |
| CANNED[2] | thous. $ | January | 11.5 | −17.9 | −30.1 |
| FRESH | thous. lbs. | Jan.-Feb. | 35,712 | ..... | −7.7 |
| **HONOLULU PRICES** | | | | | |
| HONOLULU CONSUMER PRICE INDEX | | | | | |
| Urban Wage Earners and Clerical Workers (Revised), All items | 1967=100 | February | 274.8 | 1.4[3] | 4.5 |
| All Urban Consumers, All items | 1967=100 | February | 270.4 | 0.2[3] | 3.2 |
| **PUBLIC UTILITIES** | | | | | |
| ELECTRICITY GENERATED | mil. KWH | February | 515.2 | −7.8 | 3.0 |
| GAS SALES | thous. therms | February | 4,427 | 10.0 | 0.4 |
| TELEPHONE LINES IN SERVICE | thous. | February | 448.7 | 0.2 | 3.2 |

p=*preliminary.*
n.c.=*not comparable. Series have been converted from all westbound visitors to an overnight and longer visitor basis by eliminating intransits. The only back data revised so far cover January 1982.*
[1]*Estimated Westbound.*
[2]*Gross taxable income valued at time of shipment.*
[3]*Compared to December, 1982.*

Tourism

Tourism got off to a bad start in 1983 with a 3.3% drop in visitors in January. The eastbound component (traffic from Japan, Asia, the South Pacific, etc) which fell 8.7% relative to January 1982 was the biggest drag on the January total. The westbound component (traffic arriving from points east of Hawaii - from the Mainland U.S., Canada, etc.) fell 1.6% and accounted for a third of the decline in total visitors. The drop in westbound traffic relative to 1982 was not surprising since early 1982 traffic was phenomenal. An extremely severe winter last year, along with a media blitz timed just right, touting Hawaii's warm weather and blue skies, produced just the right combination to bring the visitors streaming in-



# business activity - hawaii [cont.]

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **CONSTRUCTION** | | | | | |
| CONSTRUCTION PUT IN PLACE | mil. $ | January | 97.3 | −16.2 | −13.1 |
| **PRIVATE PERMITS AUTHORIZED** | | | | | |
| RESIDENTIAL | mil. $ | | | | |
| STATE | thous. $ | Jan.-Oct. 1982 | 264,938 | ..... | −38.8 |
| C&C of Honolulu | thous. $ | Jan.-Feb. | 22,722 | ..... | 169.0 |
| Maui County | thous. $ | Jan.-Oct. 1982 | 32,234 | ..... | −72.1 |
| Hawaii County | thous. $ | Jan.-Feb. | 6,216 | ..... | 3.8 |
| Kauai County | thous. $ | Jan.-Feb. | 5,653 | ..... | −13.1 |
| SINGLE FAMILY UNITS | | | | | |
| STATE | number | Jan.-Oct. 1982 | 1,802 | ..... | −17.2 |
| C&C of Honolulu | number | Jan.-Feb. | 296 | ..... | 745.7 |
| Maui County | number | Jan.-Oct. 1982 | 461 | ..... | 28.4 |
| Hawaii County | number | Jan.-Feb. | 66 | ..... | −50.4 |
| Kauai County | number | Jan.-Feb. | 28 | ..... | −34.9 |
| MULTIPLE FAMILY UNITS | | | | | |
| STATE | number | Jan.-Oct. 1982 | 2,566 | ..... | −29.3 |
| C&C of Honolulu | number | Jan.-Feb. | 10 | ..... | −41.2 |
| Maui County | number | Jan.-Oct. 1982 | 122 | ..... | −88.8 |
| Hawaii County | number | Jan.-Feb. | 2 | ..... | + |
| Kauai County | number | Jan.-Feb. | 0 | ..... | −100.0 |
| NONRESIDENTIAL | | | | | |
| STATE | thous. $ | Jan.-Oct. 1982 | 284,831 | ..... | −4.8 |
| C&C of Honolulu | thous. $ | Jan.-Feb. | 14,460 | ..... | −39.3 |
| Maui County | thous. $ | Jan.-Oct. 1982 | 53,856 | ..... | 111.5 |
| Hawaii County | thous. $ | Jan.-Feb. | 1,939 | ..... | −50.8 |
| Kauai County | thous. $ | Jan.-Feb. | 3,451 | ..... | 55.5 |
| **PUBLIC CONTRACTS AWARDED** | | | | | |
| TOTAL GOVERNMENT PROJECTS | thous. $ | Jan.-Mar. | 99,800 | ..... | 48.2 |
| BY LEVEL OF GOVERNMENT | | | | | |
| FEDERAL | thous. $ | Jan.-Mar. | 12,228 | ..... | −42.1 |
| STATE | thous. $ | Jan.-Mar. | 55,361 | ..... | 97.2 |
| COUNTY | thous. $ | Jan.-Mar. | 32,212 | ..... | 77.5 |
| BY LOCATION OF PROJECT | | | | | |
| C&C of Honolulu | thous. $ | Jan.-Mar. | 84,049 | ..... | 58.0 |
| Maui County | thous. $ | Jan.-Mar. | 4,446 | ..... | −56.2 |
| Hawaii County | thous. $ | Jan.-Mar. | 9,991 | ..... | 207.0 |
| Kauai County | thous. $ | Jan.-Mar. | 1,315 | ..... | 85.2 |
| **HONOLULU CONSTRUCTION COST INDEXES** | | | | | |
| SINGLE FAMILY | 1967=100 | March | 324.0 | 1.3 | 7.6 |
| HIGH-RISE | 1967=100 | March | 348.7 | 1.1 | 6.8 |
| **BUSINESS SALES** | | | | | |
| GROSS BUSINESS RECEIPTS | mil. $ | January | 1,769.9 | −1.2 | −8.8 |
| DIVERSIFIED MANUFACTURING | mil. $ | January | 38.0 | −10.0 | −34.5 |
| DIVERSIFIED AGRICULTURE | mil. $ | January | 14.8 | −15.7 | −20.6 |
| RETAILING | mil. $ | January | 702.8 | 9.8 | −5.2 |
| WHOLESALING | mil. $ | January | 453.0 | 1.6 | −10.6 |
| SERVICES | mil. $ | January | 345.8 | −14.5 | −9.5 |
| OAHU NEW CAR SALES | number | January | 2,553 | −54.1 | 15.9 |

n.c.=*not comparable.*

to the Islands. Mainland weather this year hasn't been nearly as severe... The big January increase in meetings attendance in Hawaii is somewhat deceiving, as it didn't result from an influx of people here from out of state but rather from an increase in local gatherings... Westbound traffic to Kauai in January was still depressed relative to last year as the effects of Hurricane Iwa lingered... The Hawaii Visitors Bureau just released the new February 1983 Visitor Plant Inventory which showed a 0.3% decline in the room count since last October. The decline was attributed mainly to the island of Kauai where nine properties were still inoperable because of the hurricane and the room count dropped from 5,254 last October to 4,193 in February. There

# finance-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **BANKING** | | | | | |
| TOTAL BANK DEPOSITS | | | | | |
| STATE | mil. $ | February | 5,390.7 | 5.1 | 9.5 |
| Honolulu County | mil. $ | February | 4,434.3 | 5.0 | 8.4 |
| Maui County | mil. $ | February | 341.3 | 6.0 | 12.5 |
| Hawaii County | mil. $ | February | 404.2 | 4.1 | 12.8 |
| Kauai County | mil. $ | February | 210.9 | 7.2 | 22.0 |
| BANK DEMAND DEPOSITS | | | | | |
| STATE | mil. $ | February | 1,154.3 | 5.7 | 2.4 |
| Honolulu County | mil. $ | February | 968.5 | 6.0 | 2.3 |
| Maui County | mil. $ | February | 74.9 | 0.9 | −4.1 |
| Hawaii County | mil. $ | February | 75.5 | 5.2 | 3.2 |
| Kauai County | mil. $ | February | 35.4 | 8.2 | 18.9 |
| DEBITS TO DEMAND DEPOSITS | | | | | |
| STATE | mil. $ | February | 7,136.4 | −10.6 | 6.9 |
| Honolulu County | mil. $ | February | 6,567.8 | −10.7 | 7.0 |
| Maui County | mil. $ | February | 231.0 | −15.3 | 6.3 |
| Hawaii County | mil. $ | February | 234.0 | −6.3 | 2.4 |
| Kauai County | mil. $ | February | 103.6 | −3.4 | 17.1 |
| TURNOVER OF DEMAND DEPOSITS | | | | | |
| STATE | annual rate | February | 76.25 | −4.7 | 5.4 |
| Honolulu County | annual rate | February | 83.77 | −4.1 | 5.8 |
| Maui County | annual rate | February | 37.18 | −11.8 | 5.1 |
| Hawaii County | annual rate | February | 38.13 | −3.5 | 2.0 |
| Kauai County | annual rate | February | 36.54 | −7.5 | 2.8 |
| **STATE TAX COLLECTIONS[1]** | | | | | |
| TAX COLLECTIONS—STATE | thous. $ | February | 92,240 | −21.1 | −11.4 |
| | thous. $ | Jan.-Feb. | 209,106 | ..... | 6.8 |
| Honolulu County | thous. $ | February | 80,417 | −20.5 | −12.6 |
| | thous. $ | Jan.-Feb. | 181,622 | ..... | 5.9 |
| Maui County | thous. $ | February | 4,849 | −21.8 | 2.9 |
| | thous. $ | Jan.-Feb. | 10,048 | ..... | 7.1 |
| Hawaii County | thous. $ | February | 4,850 | −29.8 | −10.5 |
| | thous. $ | Jan.-Feb. | 11,756 | ..... | 8.1 |
| Kauai County | thous. $ | February | 2,124 | −16.9 | 9.6 |
| | thous. $ | Jan.-Feb. | 4,680 | ..... | 15.3 |

[1]*Excludes property taxes which were formerly collected by the State but are now collected by the Counties.*

# employment and unemployment-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **EMPLOYMENT IN STATE AND COUNTIES (number of persons)** | | | | | |
| STATE | | | | | |
| Civilian Labor Force | thous. | February | 464.3p | 1.3 | 1.9 |
| Employment | thous. | February | 438.2p | 1.2 | 2.9 |
| Unemployment | thous. | February | 26.1p | 1.8 | −12.3 |
| Unemployment Rate | percent | February | 5.6p | 0.0 | −13.8 |
| C & C OF HONOLULU | | | | | |
| Civilian Labor Force | thous. | February | 356.2p | 1.4 | 1.8 |
| Employment | thous. | February | 338.4p | 1.3 | 2.9 |
| Unemployment | thous. | February | 17.8p | 3.0 | −15.1 |
| Unemployment Rate | percent | February | 5.0p | 2.0 | −16.7 |
| MAUI COUNTY | | | | | |
| Civilian Labor Force | thous. | February | 42.4p | 0.7 | 4.3 |
| Employment | thous. | February | 39.3p | 0.5 | 5.0 |
| Unemployment | thous. | February | 3.1p | 2.6 | −3.6 |
| Unemployment Rate | percent | February | 7.3p | 1.4 | 7.6 |
| HAWAII COUNTY | | | | | |
| Civilian Labor Force | thous. | February | 44.6p | 0.6 | 0.7 |
| Employment | thous. | February | 40.8p | 0.2 | 1.1 |
| Unemployment | thous. | February | 3.8p | 5.4 | −3.9 |
| Unemployment Rate | percent | February | 8.5p | 4.9 | −4.5 |
| KAUAI COUNTY | | | | | |
| Civilian Labor Force | thous. | February | 21.0p | 1.2 | 0.2 |
| Employment | thous. | February | 19.6p | 3.2 | 1.4 |
| Unemployment | thous. | February | 1.4p | −20.2 | −14.0 |
| Unemployment Rate | percent | February | 6.6p | −20.5 | −14.3 |
| **JOB COUNT BY INDUSTRY** | | | | | |
| TOTAL JOBS-STATE | thous. | February | 438.9p | 0.9 | −0.2 |
| SUGAR (mill and field) | thous. | February | 8.4p | 1.1 | −3.1 |
| PINEAPPLE (cannery and field) | thous. | February | 4.0p | −4.3 | 14.7 |
| DIVERSIFIED MANUFACTURING (excluding sugar and pineapple) | thous. | February | 15.5p | 0.9 | −3.3 |
| Durable Goods | thous. | February | 3.5p | 0.9 | −11.7 |
| Non-Durable Goods | thous. | February | 12.0p | 0.9 | −0.6 |
| Apparel and Textiles | thous. | February | 2.6p | −2.1 | −9.5 |
| DIVERSIFIED AGRICULTURE (excluding sugar and pineapple, but including agricultural self-employed) | thous. | February | 7.3p | 2.9 | −1.4 |
| CONTRACT CONSTRUCTION | thous. | February | 17.3p | 0.0 | −8.6 |
| TRANSPORTATION | thous. | February | 21.0p | −1.8 | −1.3 |
| COMMUNICATION | thous. | February | 7.3p | 0.1 | −1.7 |
| UTILITIES | thous. | February | 2.4p | 0.5 | −6.9 |
| RETAIL TRADE | thous. | February | 85.9p | −0.6 | −0.4 |
| WHOLESALE TRADE | thous. | February | 19.1p | 0.3 | 1.3 |
| FINANCE, INSURANCE AND REAL ESTATE | thous. | February | 31.2p | −1.2 | −2.6 |
| HOTEL SERVICES-STATE | thous. | February | 26.1p | 0.2 | −2.2 |
| Honolulu County | thous. | February | 14.5p | −0.9 | −1.6 |
| Maui County | thous. | February | 6.5p | −0.2 | 1.9 |
| Hawaii County | thous. | February | 3.2p | −0.7 | −2.6 |
| Kauai County | thous. | February | 1.9p | 14.5 | −17.7 |
| OTHER SERVICES | thous. | February | 75.3p | 1.7 | −0.5 |
| FEDERAL GOVERNMENT | thous. | February | 32.1p | 0.6 | 3.7 |
| Civilian Agencies | thous. | February | 11.1p | 0.7 | 3.4 |
| Defense Department | thous. | February | 21.0p | 0.6 | 3.8 |
| STATE GOVERNMENT | thous. | February | 47.5p | 6.8 | 3.6 |
| COUNTY GOVERNMENT | thous. | February | 12.4p | 0.0 | 1.7 |
| **HOURS AND EARNINGS BY INDUSTRY** | | | | | |
| CONTRACT CONSTRUCTION | | | | | |
| Average Hourly Earnings | dollars | February | 15.44p | −0.7 | 10.4 |
| Average Weekly Hours | hours | February | 38.4p | −2.3 | 11.3 |
| MANUFACTURING | | | | | |
| Average Hourly Earnings | dollars | February | 8.25p | −0.7 | 3.3 |
| Average Weekly Hours | hours | February | 38.9p | 1.0 | 4.0 |
| COMMUNICATION AND UTILITIES | | | | | |
| Average Hourly Earnings | dollars | February | 11.18p | −0.3 | 4.7 |
| Average Weekly Hours | hours | February | 42.5p | −1.2 | −3.6 |
| TRADE | | | | | |
| Average Hourly Earnings | dollars | February | 6.70p | −0.3 | 6.0 |
| Average Weekly Hours | hours | February | 32.6p | −1.5 | −0.6 |
| FINANCE | | | | | |
| Average Weekly Earnings | dollars | February | 227.55p | −9.1 | 3.8 |
| HOTELS | | | | | |
| Average Hourly Earnings | dollars | February | 6.72p | −1.3 | 2.6 |
| Average Weekly Hours | hours | February | 33.0p | 3.1 | −0.9 |

p = *preliminary.*
n.c. = *not comparable.*

was a 7% gain in rooms on Maui from 11,327 to 12,121. Most of the increase was in the Kahaina-Kaanapali-Napili resort area where 563 more rooms were available. The Kaanapali Alii condo opened up 120 additional units, the Kahana Villa condo opened its first 80 units, the Sands of Kahana condo added 82 units, and the Royal Lahaina Hotel's new addition added 196 rooms. The balance of the increase in the Maui inventory occurred in the Kihei-Maalaea-Wailea market area where there were 215 more rooms available. On the Big Island the inventory increased 4.9% from 7,119 to 7,469 units as the new Mauna Lani Bay Hotel opened on the South Kohala Coast with 351 rooms.

## Construction

Private building permits signal a significant upturn in single-family home construction on Oahu in 1983. In the first two months of the year permits were issued for the building of 296 homes versus permits for only 35 homes in January-February last year.

Construction in the public works area has also gotten off to a good start this year with the value of contracts up 55.5% over the first quarter of 1982. The big increases are at the state and county government levels and by location are on Oahu and the Big Island. On Oahu sizable projects include a wastewater project in Ahuimanu for which $9 million in contracts have been awarded; the H-3 Halekou Interchange, a $15.6 million project which is underway near Hawaiian Memorial Park in Kaneohe; and continued work on H-1, for which $14.9 million in contracts have been awarded so far this year. On the Big Island, a $7.2 million contract was let for work on the Hawaii Belt Road between Palani Road and the Kolohana Subdivision.

# public assistance-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS** | | | | | |
| INSURED UNEMPLOYMENT (weekly average) | number | February | 16,417 | 2.2 | 17.4 |
| INTRASTATE INITIAL CLAIMS | number | February | 6,128 | −24.9 | 12.2 |
| INTERSTATE INITIAL CLAIMS | number | February | 425 | −22.6 | 13.9 |
| UNEMPLOYMENT INSURANCE BENEFITS | thous. $ | February | 7,360 | −6.6 | 16.3 |
| **PUBLIC ASSISTANCE** | | | | | |
| RECIPIENTS[1] | | | | | |
| Income Maintenance | no. persons | February | 64,699 | 0.0 | −2.6 |
| Services | no. cases | 4th Qtr. 1982 | 6,314 | −8.3 | −23.4 |
| Medical | no. patients | February | 51,204 | 7.5 | 3.7 |
| Food Stamps | no. persons | January | 102,818 | −0.1 | 7.2 |
| PAYMENTS | | | | | |
| Income Maintenance | thous. $ | February | 9,091 | −0.8 | 0.0 |
| Services | thous. $ | 4th Qtr. 1982 | 3,690 | −5.1 | 9.3 |
| Medical | thous. $ | February | 12,604 | 3.6 | 17.4 |
| Food Stamps | thous. $ | January | 6,842 | −6.9 | 27.1 |

[1]*Count of recipients is duplicated. A person may be counted in each category.*

# population, personal income-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **POPULATION** | | | | | |
| DE FACTO—STATE | number | July 1, 1981 | 1,066,000p | ..... | 1.3 |
| TOTAL RESIDENT—STATE | number | July 1, 1982 | 994,000p | ..... | 1.5 |
| C & C of Honolulu | number | July 1, 1982 | 775,000e | ..... | 1.0 |
| Maui County | number | July 1, 1982 | 80,000e | ..... | 5.6 |
| Hawaii County | number | July 1, 1982 | 98,000e | ..... | 2.3 |
| Kauai County | number | July 1, 1982 | 41,000e | ..... | 2.2 |
| CIVILIAN RESIDENT—STATE | number | July 1, 1982 | 939,000e | ..... | 1.8 |
| MILITARY PERSONNEL—STATE | number | July 1, 1982 | 61,107 | ..... | −0.7 |
| Ashore | number | July 1, 1982 | 54,184 | ..... | 17.1 |
| Afloat | number | July 1, 1982 | 6,923 | ..... | −54.7 |
| CIVILIAN DEPENDENTS OF MILITARY | number | July 1, 1982 | 66,709 | ..... | 3.7 |
| FOREIGN IMMIGRATION[1] | number | 12 mo. total for period ending 3/83 | 5,849 | ..... | −16.1 |
| **PERSONAL INCOME** | | | | | |
| TOTAL PERSONAL INCOME** | mil. $ | 3rd Qtr. 1982 | 11,626 | 1.8 | 6.3 |
| Employment Income[2] | mil. $ | 3rd Qtr. 1982 | 8,487 | 1.4 | 5.0 |
| Manufacturing | mil. $ | 3rd Qtr. 1982 | 455 | 5.3 | 6.1 |
| Construction & Mining[3] | mil. $ | 3rd Qtr. 1982 | 488 | −2.2 | −10.3 |
| Wholesale | mil. $ | 3rd Qtr. 1982 | 359 | 0.8 | 3.2 |
| Retail | mil. $ | 3rd Qtr. 1982 | 983 | 2.6 | 4.9 |
| Finance, Ins. & Real Estate | mil. $ | 3rd Qtr. 1982 | 553 | 2.4 | 2.6 |
| Trans., Comm., & Util. | mil. $ | 3rd Qtr. 1982 | 791 | 0.6 | 3.1 |
| Services | mil. $ | 3rd Qtr. 1982 | 1,856 | 3.1 | 8.1 |
| Farm & Other[4] | mil. $ | 3rd Qtr. 1982 | 228 | 0.0 | −1.3 |
| Federal Civilian | mil. $ | 3rd Qtr. 1982 | 766 | 2.0 | 8.0 |
| Federal Military | mil. $ | 3rd Qtr. 1982 | 953 | −4.1 | 8.5 |
| State & Local | mil. $ | 3rd Qtr. 1982 | 1,008 | 2.5 | 7.3 |
| Property Income (Dividends, Interest, Rent) | mil. $ | 3rd Qtr. 1982 | 2,162 | 2.4 | 10.5 |
| Transfer Payments (1,538) minus Personal Contributions For Social Ins. (561) | mil. $ | 3rd Qtr. 1982 | 977 | 3.8 | 8.1 |
| **PER CAPITA PERSONAL INCOME** | | | | | |
| STATE PER CAPITA | dollars | 1981 | 11,036r | ..... | 8.2 |
| PER CAPITA BY COUNTY | | | | | |
| C & C of Honolulu | dollars | 1980 | 10,492 | ..... | 11.2 |
| Maui County | dollars | 1980 | 8,871 | ..... | 10.4 |
| Hawaii County | dollars | 1980 | 8,400 | ..... | 9.6 |
| Kauai County | dollars | 1980 | 8,472 | ..... | 10.4 |

e = *estimated. Provisional estimated prepared by the State Department of Planning and Economic Development for interim use. Subject to revision once official Bureau of the Census figures are released.*
p = *preliminary.*
r = *revised.*
** *Total personal income and all components are seasonally adjusted at annual rates.*
[1] *These immigration statistics include only those entering Honolulu ports and do not include status changes.*
[2] *Includes wage and salary disbursements, proprietors' income, and other labor income.*
[3] *Income from mining not shown separately to avoid disclosure of confidential information.*
[4] *Income from agricultural services, forestry, fisheries and other not shown separately to avoid disclosure of confidential information.*

# u. s. economic indicators

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **GENERAL BUSINESS INDICATORS** | | | | | |
| COMPOSITE INDEX OF LEADING INDICATORS* | 1967=100 | February | 148.3p | 1.4 | 9.3 |
| GROSS NATIONAL PRODUCT** | | | | | |
| In Current Dollars | bil. $ | 4th Qtr. 1982 | 3,108.2r | 0.6 | 3.5 |
| In 1972 Dollars | bil. $ | 4th Qtr. 1982 | 1,477.2r | −0.3 | −0.9 |
| PERSONAL INCOME** | bil. $ | February | 2,643.1p | 0.1 | 5.1 |
| RETAIL SALES* | mil. $ | February | 91,745p | −0.4 | 4.2 |
| INDUSTRIAL PRODUCTION* | 1967=100 | February | 137.3p | 0.3 | −3.9 |
| **BANKING AND CREDIT** | | | | | |
| DEBITS TO DEMAND DEPOSITS** | bil. $ | January | 55,908.8p | −6.6 | 11.3 |
| TURNOVER OF DEMAND DEPOSITS** | annual rate | January | 215.0p | −6.0 | 13.2 |
| BANK LOANS* | bil. $ | February | 1,048.4p | 0.3 | 6.4 |
| AVERAGE PRIME RATE CHARGED BY BANKS | percent | March | 10.50 | −4.3 | −36.4 |
| CONSUMER INSTALLMENT DEBT* | mil. $ | January | 342,245 | 0.9 | 4.3 |
| **CONSTRUCTION** | | | | | |
| CONSTRUCTION PUT IN PLACE** | bil. $ | January | 255.5p | 8.9 | 13.5 |
| CONSTRUCTION COST INDEXES | | | | | |
| Residences | 1967=100 | November | 330.2 | 0.9 | 7.7 |
| Apts, Hotel, Office Bldgs | 1967=100 | November | 334.7 | 0.8 | 8.2 |
| **EMPLOYMENT** | | | | | |
| CIVILIAN EMPLOYMENT* | thous. | February | 99,063 | 0.0 | −0.6 |
| UNEMPLOYMENT* | thous. | February | 11,490 | 0.4 | 18.8 |
| UNEMPLOYMENT RATE* | percent | February | 10.4 | 0.0 | 18.2 |
| **PRICES** | | | | | |
| CONSUMER PRICE INDEX (All Items) | | | | | |
| Urban Wage Earners and Clerical Workers (Revised) | 1967=100 | February | 292.3 | 0.1 | 3.3 |
| All Urban Consumers | 1967=100 | February | 293.2 | 0.0 | 3.5 |
| PRODUCER PRICE INDEXES | | | | | |
| Finished Goods* | 1967=100 | February | 283.4 | 0.1 | 2.1 |
| All Commodities | 1967=100 | February | 301.2 | 0.4 | 0.9 |

r = *revised.*
n.a. = *not available.*
p = *preliminary.*
[1] *Compared to May, 1982.*
* *Seasonally adjusted.*
** *Seasonally adjusted at annual rates.*

## Tax Collections

Ar-r-gh! February tax collections fell 21% relative to January and 11% relative to February last year. Part of this plunge can be explained by payment dates as the general excise tax on the gross income of businesses is due the last day of the month succeeding the sale, and January 31, both in 1981 and 1982 fell on weekends and so collections spilled over into February, ballooning February collections, a phenomenon that didn't repeat itself this year. But that's only part of the answer. The rest?? But be assured, readers, it's not as bad as it seems. Month-to-month changes in tax collections can be very misleading. Year-to-date figures are much more meaningful and for the first two months of this year total collections are 6.8% ahead of last year.

Kauai presented quite a different picture from the rest of the state with respect to February tax collections. The State collected 9.6% more in taxes on Kauai in February than it did in February 1982. That's in contrast to the 11.4% decline in February collections statewide. The extensive repair and clean-up work necessitated by Hurricane Iwa really stepped up spending on the island.

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# Economic Indicators

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## The Film Industry in Hawaii

Hawaii's chances of attracting new industries are limited by our isolated location, lack of natural resources, and determination to preserve the scenery. The plain fact is that there isn't much here to attract new industry **except** the scenery, plus the climate. As a result the visitor industry is our biggest success. But tourism is vulnerable, and we would like to have our economic eggs in a few more baskets, so we are always hoping for new industries—provided they don't mar the scenery.

One industry which fits our specifications almost perfectly is filmmaking—shooting movies, TV shows, and TV commercials amidst Hawaii's scenic backdrops. Last year the $31 million spent in Hawaii by filmmakers was more than the value of cattle sales or macadamia nuts or flowers and foliage. Of course $31 million is less than one percent of the revenues we derive from the visitor industry, but every little bit helps.

Hawaiian scenery has appeared in 116 movies during the last 70 years, from *Hawaiian Love* and *The Shark God*, which were filmed here in 1913, to notable productions like *South Pacific* and *The Old Man and the Sea*. By the 1970s, when CBS was spending $9 million here annually on the TV series "Hawaii Five-0," government officials began to sit up and take notice of the economic possibilities of this somewhat oddball industry. In 1978 the State Department of Planning and Economic Development set up the Hawaii Film Office to promote Hawaii's advantages as a location for filming and to provide assistance to producers who come. Dr. Henry L. Wong, manager of this small, low-budget office, advertises Hawaii in trade publications like *The Hollywood Reporter* and *Variety*, phones producers who may be considering a Hawaii location, suggests places to shoot, makes arrangements for permits, helps Japanese TV crews with visa problems, etc. Thanks at least in part to Wong's work, there were 66 motion pictures and TV features plus over 240 foreign TV commercials filmed here in 1982. Currently, the popular "Magnum P.I." TV series is spending around $20 million a season filming in Hawaii.

Hawaii's advantages for filmmakers are the varied locations within short distances (mountains, ocean, beaches, boats, gardens, rain forests, temples, posh restaurants, dilapidated shacks, grand mansions, busy city streets, small towns), no billboards to block views, clear air, good weather, a diverse population, and plenty of excellent hotel accommodations.

Hawaii's biggest disadvantage from the filmmakers' viewpoint has been the cumbersome problem of getting assorted government permits required for using beaches, parks, streets, or any other public area for commercial filming. The problem was alleviated to some extent in the past by efforts of the Hawaii Film Office to expedite the permit process, and should be simplified further by the Legislature's recent passage of a bill to allow "one-stop shopping" for filmmakers seeking permits to shoot in Hawaii. Still, as Hideto Kono (former director of the Department of Planning and Economic Development) pointed out, the film industry should be encouraged but the State must also protect parks and historic places from misuse and allow its own residents to enjoy the beaches; visiting filmmakers "must be educated, too—they just can't come here and take over."

Another disadvantage for filmmakers who come to Hawaii has been the lack of support services such as sound stages, post-production facilities, etc. Now the support services are beginning to sprout. For years the only soundproofed studio in Hawaii was the State-owned studio at Diamond Head built by CBS to film "Hawaii Five-O." Universal Television's "Magnum P.I." is using it now on a month-to-month revocable lease, but it is slated to be turned over to Kapiolani Community College for classrooms. Meanwhile Gentry-Pacific Inc. has built a smaller studio at Waipio, not yet soundproofed though it could be if Gentry had a tenant. Hawaii International Studio has completed a sound stage at Halawa Central Park, and Aloha Studios is planning a movie studio complex in Pearl City. Also needed are adequate post-production services (one major company is considering coming into Hawaii) and screening rooms (at present visiting filmmakers have to use theaters at off-hours or fly their footage back to California or Japan to view it). As such facilities and services increase, Hawaii will be able to handle more of the film industry's requirements and gain a bigger share of the gross budgets for productions. But the pioneers may have to hang in for a while until it all comes together.

The advantages to Hawaii of encouraging filmmaking here are obvious: it doesn't pollute, it brings in money, it creates jobs (for all kinds of workers, from truck drivers to film editors), it helps fill hotel rooms and restaurants with visiting crews, it promotes tourism by showing Hawaii's colorful scenery on TV and movie screens in faraway places, and it is fun to watch (look at Hanapepe turned into old Australia, or beautiful models posing by sailboats on the beach). Disadvantages of the film industry for Hawaii are minor: (1) income for Hawaii is not as steady and dependable as that from defense expenditures—but no income source is absolutely steady and dependable; (2) many of the jobs are temporary, as filmmakers come and go—but even a three-day job as an extra could be the start of a show-biz career; and (3) setting up and shooting scenes sometimes blocks off parts of our beaches and streets—but only temporarily, and all the equipment soon vanishes without a trace. Therefore let us be patient with the inconveniences of this rather attractive industry, and give our warmest aloha to the filmmakers.


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# business activity - hawaii

| series | unit | period | number | percent change from preceding period | percent change year ago |
|---|---|---|---|---|---|
| **TOURISM** | | | | | |
| OVERNIGHT OR LONGER VISITORS | number | April | 319,455p | -19.2 | -7.1 |
| | number | Jan.-April | 1,385,382p | ..... | -0.9 |
| Westbound | number | April | 246,457p | -22.2 | -6.2 |
| | number | Jan.-April | 1,089,194p | ..... | -0.2 |
| Eastbound | number | April | 72,998p | -6.9 | -9.9 |
| | number | Jan.-April | 296,188p | ..... | -3.6 |
| AVERAGE DAILY VISITOR CENSUS[1] | number | April | 81,195p | -20.1 | -9.9 |
| AVERAGE LENGTH OF STAY[1] | no. of days | April | 9.9 | -6.6 | -3.9 |
| MEETINGS ATTENDANCE | number | April | 19,567 | 0.0 | 31.9 |
| ORGANIZED GROUP TOURS | number | April | 69,596p | -4.5 | 4.4 |
| NEIGHBOR ISLAND VISITORS[1] | | | | | |
| Maui | number | April | 123,654p | -20.8 | -3.5 |
| | number | Jan.-April | 549,209p | ..... | 0.9 |
| Hawaii | number | April | 50,963p | -25.1 | 1.9 |
| | number | Jan.-April | 248,462p | ..... | 8.5 |
| Kauai | number | April | 48,852p | -14.2 | -19.2 |
| | number | Jan.-April | 203,148p | ..... | -18.8 |
| VISITOR ACCOMMODATIONS | | | | | |
| STATE | number | February | 58,765 | -0.3 | 1.4 |
| Oahu | number | February | 34,354 | -0.7 | 2.6 |
| Waikiki | number | February | 30,108 | 0.0 | 3.7 |
| Maui (includes 11 on Lanai) | number | February | 12,121 | 7.0 | 4.4 |
| Molokai | number | February | 628 | 1.8 | 13.2 |
| Hawaii | number | February | 7,469 | 4.9 | 4.2 |
| Kauai | number | February | 4,193 | -20.2 | -18.5 |
| HOTEL OCCUPANCY | | | | | |
| STATE | percent | April | 65.29 | -18.2 | -4.2 |
| Oahu | percent | April | 71.36 | -18.8 | -4.3 |
| Maui | percent | April | 72.85 | -17.3 | -2.3 |
| Hawaii | percent | April | 40.84 | -17.9 | -2.8 |
| Kauai | percent | April | 47.84 | -17.0 | -14.5 |
| **DEFENSE EXPENDITURES** | | | | | |
| APPROPRIATED FUNDS TOTAL | mil. $ | 1st Qtr. | 482.4p* | 7.7 | 20.5 |
| Military Payroll | mil. $ | 1st Qtr. | 184.7p* | 0.4 | 10.4 |
| Civilian Payroll | mil. $ | 1st Qtr. | 131.4p* | -9.8 | 11.5 |
| Local Purchases | mil. $ | 1st Qtr. | 166.3p* | 40.5 | 44.3 |
| **SUGAR** | | | | | |
| SUGAR PRODUCTION | thous. tons | Jan.-April | 214 | ..... | 82.1 |
| N.Y. RAW SUGAR PRICE | $/ton | April | 448.35 | 2.7 | 25.6 |
| **PINEAPPLE SHIPMENTS** | | | | | |
| CANNED[2] | mil. $ | Jan.-Mar. | 32.6 | ..... | -26.5 |
| FRESH | thous. lbs. | Jan.-April | 76,642 | ..... | -14.3 |
| **HONOLULU PRICES** | | | | | |
| HONOLULU CONSUMER PRICE INDEX | | | | | |
| Urban Wage Earners and Clerical Workers (Revised), All Items | 1967=100 | April | 276.9 | 0.8[3] | 4.8 |
| All Urban Consumers, All Items | 1967=100 | April | 272.8 | 0.9[3] | 3.6 |
| **PUBLIC UTILITIES** | | | | | |
| ELECTRICITY GENERATED | mil. KWH | April | 548.9 | -4.4 | 3.5 |
| GAS SALES | thous. therms | April | 4,069 | -1.6 | -6.1 |
| TELEPHONE LINES IN SERVICE | thous. | April | 450.0 | 0.1 | 3.2 |

p=preliminary.
[1]Estimated Westbound.
[2]Gross taxable income valued at time of shipment.
[3]Compared to February, 1983.
*Coast Guard figures not included.



Sugar

Hawaiian sugar production through April was 82% ahead of the same period in 1982 when heavy rains, the worst this century, delayed harvesting. Conditions in the early part of this year were just the reverse -- drought conditions prevailed, an aid to harvesting. The industry has revised its 1983 production forecast upward to 1,064,912 tons, the biggest harvest since 1975 when the total was 1,107,199 tons, and 3.2% above the average for the years since 1975.

Construction

The giant plunge in government contracts through May -- down 31% relative to Jan.-May 1982 -- resulted from the $47.2 million contract awarded for the Barbers Point deep draft harbor in April of last year versus the lack of any contract even close to that size so far this year. However, private authorizations continue strong (up 33%) thanks to close to a doubling in authorizations in the single-family sector (Maui included only for January as later data are not available). The multiple family residential sector (down 71%) and nonresidential construction (down 14%) continued weak.

# business activity - hawaii [cont.]

| series | unit | period | number | percent change from preceding period | percent change year ago |
|---|---|---|---|---|---|
| **CONSTRUCTION** | | | | | |
| CONSTRUCTION PUT IN PLACE | mil. $ | Jan.-Mar. | 318.5 | ..... | -11.3 |
| **PRIVATE PERMITS AUTHORIZED** | | | | | |
| RESIDENTIAL | | | | | |
| STATE | thous. $ | January | 21,060 | ..... | 80.2 |
| C&C of Honolulu | thous. $ | Jan.-April | 50,653 | ..... | 116.8 |
| Maui County | thous. $ | January | 2,375 | ..... | 28.9 |
| Hawaii County | thous. $ | Jan.-April | 19,856 | ..... | 51.8 |
| Kauai County | thous. $ | Jan.-April | 29,833 | ..... | 123.1 |
| SINGLE FAMILY UNITS | | | | | |
| STATE | number | January | 314 | ..... | 122.7 |
| C&C of Honolulu | number | Jan.-April | 585 | ..... | 431.8 |
| Maui County | number | January | 40 | ..... | 42.9 |
| Hawaii County | number | Jan.-April | 286 | ..... | -6.8 |
| Kauai County | number | Jan.-April | 78 | ..... | -3.7 |
| MULTIPLE FAMILY UNITS | | | | | |
| STATE | number | January | 6 | ..... | 50.0 |
| C&C of Honolulu | number | Jan.-April | 18 | ..... | -79.3 |
| Maui County | number | January | 0 | ..... | 0.0 |
| Hawaii County | number | Jan.-April | 35 | ..... | - |
| Kauai County | number | Jan.-April | 6 | ..... | -94.9 |
| NONRESIDENTIAL | | | | | |
| STATE | thous. $ | January | 10,610 | ..... | -18.6 |
| C&C of Honolulu | thous. $ | Jan.-April | 39,468 | ..... | -33.8 |
| Maui County | thous. $ | January | 897 | ..... | 49.0 |
| Hawaii County | thous. $ | Jan.-April | 12,967 | ..... | 119.9 |
| Kauai County | thous. $ | Jan.-April | 8,575 | ..... | 54.6 |
| **PUBLIC CONTRACTS AWARDED** | | | | | |
| TOTAL GOVERNMENT PROJECTS | thous. $ | Jan.-May | 113,520 | ..... | -31.2 |
| BY LEVEL OF GOVERNMENT | | | | | |
| FEDERAL | thous. $ | Jan.-May | 13,825 | ..... | -84.7 |
| STATE | thous. $ | Jan.-May | 60,547 | ..... | 26.2 |
| COUNTY | thous. $ | Jan.-May | 39,148 | ..... | 47.6 |
| BY LOCATION OF PROJECT | | | | | |
| C&C of Honolulu | thous. $ | Jan.-May | 93,594 | ..... | -29.2 |
| Maui County | thous. $ | Jan.-May | 6,353 | ..... | -69.4 |
| Hawaii County | thous. $ | Jan.-May | 10,594 | ..... | -7.2 |
| Kauai County | thous. $ | Jan.-May | 2,979 | ..... | -47.9 |
| **HONOLULU CONSTRUCTION COST INDEXES** | | | | | |
| SINGLE FAMILY | 1967=100 | May | 328.9 | 1.5 | 8.8 |
| HIGH-RISE | 1967=100 | May | 350.2 | 0.4 | 7.0 |
| **BUSINESS SALES** | | | | | |
| GROSS BUSINESS RECEIPTS | mil. $ | Jan.-Mar. | 5,141.5 | ..... | -1.3 |
| DIVERSIFIED MANUFACTURING | mil. $ | Jan.-Mar. | 109.6 | ..... | -26.9 |
| DIVERSIFIED AGRICULTURE | mil. $ | Jan.-Mar. | 50.2 | ..... | 8.3 |
| RETAILING | mil. $ | Jan.-Mar. | 1,862.9 | ..... | -1.3 |
| WHOLESALING | mil. $ | Jan.-Mar. | 1,268.3 | ..... | 0.2 |
| SERVICES | mil. $ | Jan.-Mar. | 1,174.2 | ..... | 2.0 |
| OAHU NEW CAR SALES | number | March | 2,439 | 7.7 | 16.9 |

# finance-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **BANKING** | | | | | |
| TOTAL BANK DEPOSITS | | | | | |
| STATE | mil. $ | April | 5,561.6 | −0.5 | 11.9 |
| Honolulu County | mil. $ | April | 4,594.4 | −0.6 | 10.8 |
| Maui County | mil. $ | April | 347.4 | −0.6 | 17.5 |
| Hawaii County | mil. $ | April | 407.5 | 0.2 | 14.2 |
| Kauai County | mil. $ | April | 212.3 | −0.5 | 23.0 |
| BANK DEMAND DEPOSITS | | | | | |
| STATE | mil. $ | April | 1,135.7 | −3.3 | 0.7 |
| Honolulu County | mil. $ | April | 962.7 | −3.5 | −0.2 |
| Maui County | mil. $ | April | 75.5 | 0.0 | 8.7 |
| Hawaii County | mil. $ | April | 74.3 | −3.1 | −0.2 |
| Kauai County | mil. $ | April | 33.2 | −5.3 | 14.2 |
| DEBITS TO DEMAND DEPOSITS | | | | | |
| STATE | mil. $ | April | 7,307.0 | −9.3 | −0.5 |
| Honolulu County | mil. $ | April | 6,721.9 | −9.4 | −0.3 |
| Maui County | mil. $ | April | 246.5 | −11.4 | −4.1 |
| Hawaii County | mil. $ | April | 242.2 | −4.6 | −2.7 |
| Kauai County | mil. $ | April | 96.3 | −13.9 | 1.6 |
| TURNOVER OF DEMAND DEPOSITS | | | | | |
| STATE | annual rate | April | 75.92 | −8.6 | −4.6 |
| Honolulu County | annual rate | April | 83.18 | −8.6 | −4.3 |
| Maui County | annual rate | April | 39.16 | −11.7 | −7.7 |
| Hawaii County | annual rate | April | 38.50 | −3.8 | −4.6 |
| Kauai County | annual rate | April | 33.86 | −11.2 | −9.8 |
| **STATE TAX COLLECTIONS[1]** | | | | | |
| TAX COLLECTIONS—STATE | thous. $ | Jan.–April | 406,635 | .... | 13.7 |
| Honolulu County | thous. $ | Jan.–April | 354,490 | .... | 12.0 |
| Maui County | thous. $ | Jan.–April | 21,321 | .... | 29.7 |
| Hawaii County | thous. $ | Jan.–April | 20,922 | .... | 16.0 |
| Kauai County | thous. $ | Jan.–April | 9,901 | .... | 47.3 |

[1]Excludes property taxes which were formerly collected by the State but are now collected by the Counties.

Business Sales

General excise tax collections, taxes paid on the gross income of all businesses, fell 4.2% in April and held the cumulative total of business receipts to a negative 1.3% for the first quarter. (The figures are lagged a month to better approximate the time of sale as taxes are due at the end of the month following the sale.) The decline is probably partly attributable to April 30 falling on a weekend resulting in some spillover of April taxes into May. May collections should move the cumulative gain of gross business receipts for the calendar year into positive territory.

Tax Collections

While general excise tax collections lost ground in April, total tax collections took a quantum leap -- up 35.3% relative to April 1982. The State tax office attributed the increase to a $24.3 million decline in individual tax refunds resulting from a decrease in the general tax credit this year from $100 to $25 per exemption. When the refund effect is eliminated from the comparison, the increase in total tax collections returns to a more normal 5.0%.

# employment and unemployment-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **EMPLOYMENT IN STATE AND COUNTIES (number of persons)** | | | | | |
| STATE | | | | | |
| Civilian Labor Force | thous. | April | 464.1p | −0.3 | 1.0 |
| Employment | thous. | April | 435.8p | −0.7 | 1.7 |
| Unemployment | thous. | April | 28.3p | 5.4 | −9.1 |
| Unemployment Rate | percent | April | .... | .... | .... |
| C & C OF HONOLULU | | | | | |
| Civilian Labor Force | thous. | April | 355.5p | −0.4 | 0.7 |
| Employment | thous. | April | 336.3p | −0.7 | 1.7 |
| Unemployment | thous. | April | 19.1p | 4.6 | −13.7 |
| Unemployment Rate | percent | April | 5.4p | 5.9 | −14.3 |
| MAUI COUNTY | | | | | |
| Civilian Labor Force | thous. | April | 42.6p | −0.3 | 3.0 |
| Employment | thous. | April | 39.4p | −0.4 | 2.2 |
| Unemployment | thous. | April | 3.2p | 1.0 | 15.5 |
| Unemployment Rate | percent | April | 7.5p | 1.4 | 11.9 |
| HAWAII COUNTY | | | | | |
| Civilian Labor Force | thous. | April | 45.2p | 0.6 | 1.7 |
| Employment | thous. | April | 40.7p | −0.5 | 1.9 |
| Unemployment | thous. | April | 4.5p | 11.7 | 1.1 |
| Unemployment Rate | percent | April | 9.9p | 11.2 | −1.0 |
| KAUAI COUNTY | | | | | |
| Civilian Labor Force | thous. | April | 20.8p | −0.8 | 0.0 |
| Employment | thous. | April | 19.3p | −1.4 | 1.0 |
| Unemployment | thous. | April | 1.5p | 8.2 | −11.8 |
| Unemployment Rate | percent | April | 7.2p | 9.9 | −11.1 |
| **JOB COUNT BY INDUSTRY** | | | | | |
| TOTAL JOBS STATE | thous. | April | 440.4p | 0.1 | −0.2 |
| SUGAR (mill and field) | thous. | April | 8.3p | 1.2 | −2.4 |
| PINEAPPLE (canning and field) | thous. | April | 4.4p | 14.2 | −8.2 |
| DIVERSIFIED MANUFACTURING | | | | | |
| (excluding sugar and pineapple) | thous. | April | 15.2p | −1.7 | −3.8 |
| Durable Goods | thous. | April | 3.5p | −0.3 | −11.5 |
| Non-Durable Goods | thous. | April | 11.7p | −2.1 | −1.7 |
| Apparel and Textiles | thous. | April | 2.6p | 1.1 | −10.2 |
| DIVERSIFIED AGRICULTURE (excluding sugar and pineapple but including agricultural self-employed) | thous. | April | 7.3p | −1.3 | −4.0 |
| CONTRACT CONSTRUCTION | thous. | April | 16.9p | −0.4 | −6.6 |
| TRANSPORTATION | thous. | April | 20.6p | −0.2 | −4.4 |
| COMMUNICATION | thous. | April | 7.3p | −0.2 | −1.0 |
| UTILITIES | thous. | April | 2.4p | 0.3 | −5.8 |
| RETAIL TRADE | thous. | April | 86.4p | 0.2 | 0.5 |
| WHOLESALE TRADE | thous. | April | 19.2p | −0.2 | 2.1 |
| FINANCE, INSURANCE AND REAL ESTATE | thous. | April | 31.6p | 0.2 | −0.3 |
| HOTEL SERVICES-TOTAL | thous. | April | 26.7p | 1.7 | −0.9 |
| Honolulu County | thous. | April | 15.0p | 3.0 | 0.7 |
| Maui County | thous. | April | 6.6p | 0.3 | 0.0 |
| Hawaii County | thous. | April | 3.3p | 1.2 | 1.5 |
| Kauai County | thous. | April | 1.8p | −1.9 | −20.0 |
| OTHER SERVICES | thous. | April | 74.6p | −0.5 | 0.3 |
| FEDERAL GOVERNMENT | thous. | April | 32.2p | 0.0 | 2.7 |
| Civilian Agencies | thous. | April | 11.2p | 0.2 | 2.8 |
| Defense Department | thous. | April | 21.0p | −0.1 | 2.7 |
| STATE GOVERNMENT | thous. | April | 48.5p | −0.2 | 0.7 |
| COUNTY GOVERNMENT | thous. | April | 12.6p | 0.7 | 0.4 |
| **HOURS AND EARNINGS BY INDUSTRY** | | | | | |
| CONTRACT CONSTRUCTION | | | | | |
| Average Hourly Earnings | dollars | April | 15.59p | −0.1 | 9.6 |
| Average Weekly Hours | hours | April | 38.5p | 0.8 | 4.1 |
| MANUFACTURING | | | | | |
| Average Hourly Earnings | dollars | April | 8.32p | 0.8 | 5.3 |
| Average Weekly Hours | hours | April | 38.8p | −1.3 | 6.9 |
| COMMUNICATION AND UTILITIES | | | | | |
| Average Hourly Earnings | dollars | April | 11.35p | 0.1 | 7.4 |
| Average Weekly Hours | hours | April | 42.2p | −0.9 | −2.5 |
| TRADE | | | | | |
| Average Hourly Earnings | dollars | April | 6.67p | −0.7 | 4.2 |
| Average Weekly Hours | hours | April | 33.3p | 1.2 | 0.9 |
| FINANCE | | | | | |
| Average Weekly Earnings | dollars | April | 234.26p | 2.6 | 7.8 |
| HOTELS | | | | | |
| Average Hourly Earnings | dollars | April | 6.80p | 0.9 | 7.3 |
| Average Weekly Hours | hours | April | 32.5p | −0.6 | 0.3 |

p=preliminary

# public assistance-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS** | | | | | |
| INSURED UNEMPLOYMENT (weekly average) | number | April | 15,742 | 2.0 | 14.4 |
| INTRASTATE INITIAL CLAIMS | number | April | 5,737 | −8.0 | −31.6 |
| INTERSTATE INITIAL CLAIMS | number | April | 350 | −20.3 | 9.7 |
| UNEMPLOYMENT INSURANCE BENEFITS | thous. $ | April | 7,153 | −5.5 | −2.3 |
| **PUBLIC ASSISTANCE** | | | | | |
| RECIPIENTS[1] | | | | | |
| Income Maintenance | no. /persons | April | 64,380 | −0.5 | −0.3 |
| Services | no. /cases | 1st Qtr | 6,730 | 6.6 | −3.4 |
| Medical | no. /patients | April | 57,599 | 11.6 | 2.5 |
| Food Stamps | no. /persons | March | 103,648 | 0.5 | 8.4 |
| PAYMENTS | | | | | |
| Income Maintenance | thous. $ | April | 8,992 | −1.8 | 0.3 |
| Services | thous. $ | 1st Qtr | 3,559 | −3.6 | 1.2 |
| Medical | thous. $ | April | 16,383 | 17.2 | 8.4 |
| Food Stamps | thous. $ | March | 6,911 | 0.8 | 25.2 |

[1]Count of recipients is duplicated. A person may be counted in each category.

Banking

The shift in funds from regular checking accounts (demand deposit accounts) to the new super NOW, interest-bearing checking accounts and money market accounts which are not classified as demand deposits but show up in deposit totals, is obvious. Demand deposits in April were up only 0.7% over April 1982 whereas the increase in the aggregate of other kinds of deposits (total deposits less demand accounts) was 15.2%.

Personal Income

Total and per capita personal income figures for the state for 1982 and for the counties for 1981 were recently released by the U.S. Dept. of Commerce. For the state, increases both for total and per capita personal income in 1982 just about matched average increases nationally -- 6.7% increase in Hawaii TPI vs. 6.4% for the U.S., and 5.2% increase on a per capita basis vs. 5.3% nationally. Hawaii was headed for a considerably better performance relative to average -- the increase for the first 3 quarters was 7.2% vs. 6.6% nationally -- until Hurricane Iwa hit in November which held any increase in Hawaii's 4th quarter TPI in check.

# population, personal income-hawaii

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **POPULATION** | | | | | |
| DE FACTO—STATE | thous. | July 1, 1982 | 1,084p | .... | 1.9 |
| TOTAL RESIDENT—STATE | thous. | July 1, 1982 | 994p | .... | 1.5 |
| C & C of Honolulu | thous. | July 1, 1982 | 775p | .... | 1.0 |
| Maui County | thous. | July 1, 1982 | 80p | .... | 5.6 |
| Hawaii County | thous. | July 1, 1982 | 98p | .... | 2.3 |
| Kauai County | thous. | July 1, 1982 | 41p | .... | 2.2 |
| CIVILIAN RESIDENT—STATE | thous. | July 1, 1982 | 939p | .... | 1.8 |
| MILITARY PERSONNEL—STATE | number | July 1, 1982 | 61,107 | .... | −0.7 |
| Ashore | number | July 1, 1982 | 54,184 | .... | 17.1 |
| Afloat | number | July 1, 1982 | 6,923 | .... | −54.7 |
| CIVILIAN DEPENDENTS OF MILITARY | number | July 1, 1982 | 66,709 | .... | 3.7 |
| FOREIGN IMMIGRATION[1] | number | 12 mo. total for period ending 5/83 | 5,592 | .... | −18.8 |
| **PERSONAL INCOME** | | | | | |
| TOTAL PERSONAL INCOME** | mil. $ | 4th Qtr. 1982 | 11,708 | 0.0 | 4.9 |
| Employment Income[2] | mil. $ | 4th Qtr. 1982 | 8,724 | 1.6 | 5.9 |
| Manufacturing | mil. $ | 4th Qtr. 1982 | 449 | 1.6 | 3.2 |
| Construction & Mining[3] | mil. $ | 4th Qtr. 1982 | 485 | 0.4 | −9.5 |
| Wholesale | mil. $ | 4th Qtr. 1982 | 375 | 1.4 | 5.9 |
| Retail | mil. $ | 4th Qtr. 1982 | 979 | −2.3 | 3.7 |
| Financ. Ins. & Real Estate | mil. $ | 4th Qtr. 1982 | 579 | 3.0 | 11.1 |
| Trans., Comm. & Util. | mil. $ | 4th Qtr. 1982 | 800 | 1.0 | 4.6 |
| Services | mil. $ | 4th Qtr. 1982 | 1,903 | 1.0 | 9.7 |
| Farm & Other | mil. $ | 4th Qtr. 1982 | 304 | 10.1 | 14.3 |
| Federal Civilian | mil. $ | 4th Qtr. 1982 | 775 | 1.8 | 8.1 |
| Federal Military | mil. $ | 4th Qtr. 1982 | 1,029 | 3.0 | 2.3 |
| State & Local | mil. $ | 4th Qtr. 1982 | 1,046 | 3.6 | 9.0 |
| Property Income | | | | | |
| Dividends, Interest, Rent | mil. $ | 4th Qtr. 1982 | 1,967 | −8.7 | −2.2 |
| Transfer Payments (1,000 minus Federal Contributions for Social Ins. (582) | mil. $ | 4th Qtr. 1982 | 1,017 | 4.8 | 11.5 |
| **PER CAPITA PERSONAL INCOME** | | | | | |
| STATE PER CAPITA | dollars | 1982 | 11,602 | .... | 5.2 |
| PER CAPITA BY COUNTY | | | | | |
| C & C of Honolulu | dollars | 1981 | 11,553 | .... | 9.0 |
| Maui County | dollars | 1981 | 9,702 | .... | 7.2 |
| Hawaii County | dollars | 1981 | 8,728 | .... | 5.0 |
| Kauai County | dollars | 1981 | 9,132 | .... | 7.2 |

p=preliminary.
**Total personal income and all components are seasonally adjusted at annual rates.
[1]These immigration statistics include only those entering Honolulu ports and do not include status changes.
[2]Includes wage and salary disbursements, proprietors' income, and other labor income.
[3]Income from mining not shown separately to avoid disclosure of confidential information.

# u. s. economic indicators

| series | unit | period | number | percent change: from preceding period | percent change: year ago |
|---|---|---|---|---|---|
| **GENERAL BUSINESS INDICATORS** | | | | | |
| COMPOSITE INDEX OF LEADING INDICATORS* | 1967=100 | April | 152.4p | 1.1 | 12.1 |
| GROSS NATIONAL PRODUCT** | | | | | |
| In Current Dollars | bil. $ | 1st Qtr | 3,170.9r | 2.0 | 5.9 |
| In 1972 Dollars | bil. $ | 1st Qtr | 1,486.2r | 0.6 | 1.1 |
| PERSONAL INCOME** | bil. $ | April | 2,679.1p | 0.8 | 6.7 |
| RETAIL SALES* | mil. $ | April | 94,219p | 1.6 | 6.5 |
| INDUSTRIAL PRODUCTION* | 1967=100 | April | 142.6p | 2.1 | 1.7 |
| **BANKING AND CREDIT** | | | | | |
| DEBITS TO DEMAND DEPOSITS** | bil. $ | March | 61,669.7 | 19.2 | 16.2 |
| TURNOVER OF DEMAND DEPOSITS** | annual rate | March | 248.5 | 18.6 | 13.7 |
| BANK LOANS* | bil. $ | April | 1,059.6p | 0.3 | 5.7 |
| AVERAGE PRIME RATE CHARGED BY BANKS | percent | May | 10.5[1] | 0.0 | −36.4 |
| CONSUMER INSTALLMENT DEBT* | mil. $ | March | 345,358p | 0.8 | 5.0 |
| **CONSTRUCTION** | | | | | |
| CONSTRUCTION PUT IN PLACE** | bil. $ | March | 245.4p | −1.6 | 9.3 |
| CONSTRUCTION COST INDEXES | | | | | |
| Residences | 1967=100 | March | 332.3 | 0.2[1] | 7.3 |
| Apts., Hotel, Office Bldgs | 1967=100 | March | 336.7 | 0.1[1] | 6.7 |
| **EMPLOYMENT** | | | | | |
| CIVILIAN EMPLOYMENT* | thous. | April | 99,458 | 0.4 | 0.0 |
| UNEMPLOYMENT* | thous. | April | 11,328 | −0.5 | 10.5 |
| UNEMPLOYMENT RATE* | percent | April | 10.2 | −1.0 | 9.7 |
| **PRICES** | | | | | |
| CONSUMER PRICE INDEX (All items): | | | | | |
| Urban Wage Earners and Clerical Workers (Revised) | 1967=100 | April | 294.9 | 0.6 | 3.9 |
| All Urban Consumers | 1967=100 | April | 295.5 | 0.7 | 3.9 |
| PRODUCER PRICE INDEXES | | | | | |
| Finished Goods* | 1967=100 | April | 282.8 | −0.1 | 2.1 |
| All Commodities | 1967=100 | April | 300.8 | 0.1 | 0.9 |

r=revised.
p=preliminary.
[1]Compared to January, 1982.
*Seasonally adjusted.
**Seasonally adjusted at annual rates.

First Hawaiian Bank Established 1858 Member FDIC

# ECONOMIC INDICATORS

*Research Department, First Hawaiian Bank* *July/August 1983*

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## THE LEGACY OF CHARLES REED BISHOP

On a sleepy day in August, 1858, when Honolulu was a village of frame and coral-rock buildings, Fort Street little more than a broad footpath, and the principal contact with the outside world through whaling ships, readers of the "Polynesian," a four-page weekly, probably hardly noticed an obscure announcement buried among shipping notices, business statistics, and minor news items. Apparently, two men had formed a partnership "for the purpose of conducting a general banking business." This was the first public notice of the establishment of the bank of Bishop and Co., the forerunner of today's First Hawaiian Bank.

The idea of starting a bank in Hawaii actually originated from Robert C. Wyllie, a Scotsman who had been appointed Minister of Foreign Affairs by Kamehameha III in 1845. In June 1852, in a paper on capital and banking read before the Royal Hawaiian Agricultural Society he listed the advantages of such an institution.

One member of Wyllie's audience was Charles Reed Bishop. Apparently he was so impressed that six years later in partnership with William A. Aldrich, with whom he had earlier successfully started a dry-goods store, he went into the banking business. On August 17, 1858, Bishop and Co. opened for business in a rented one-room basement office near the waterfront, and ended the day with deposits totalling $4,784.25. The bank prospered from the start, and after several name changes became the First Hawaiian Bank in 1969. It has the distinction of having served Hawaii during its history as a monarchy, a Provisional Republican Government, a Territory of the United States, and since 1959 as the fiftieth state of the union. In the decades after World War II, with the growth in the Hawaiian economy, the bank has grown to 46 branches in the Hawaiian Islands and Guam. Today it ranks among the top hundred banks in the United States with assets well over two billion dollars.

But none of this would have occurred without the far-sighted leadership of Charles R. Bishop. On an anniversary occasion such as this, it is always good to look back to the beginnings, and recall the character and personality that he gave to his new bank back in the 1850s.

Bishop's early life was modest, if not austere. Born poor in Glen Falls, New York on January 25, 1822, he was orphaned at an early age. At fifteen he left school in the eighth grade and began working in a series of clerk-bookkeeping jobs. In 1846, now twenty-two, he set sail from Newburyport, Massachusetts for Oregon where he was to seek his fortune. But, after stopping off in Hawaii following a stormy journey of eight months, the opportunities for work in the islands and the prospect of another long sea voyage convinced him to remain in Hawaii.

Once in Honolulu, he worked hard to establish a reputation as an intelligent and honest citizen. What he lacked in education, he made up for in diligence and experience. After clerking in various positions, including the U.S. Consulate in Hawaii, he eventually became Collector-General of Customs for the Hawaiian Kingdom. Being thrifty by nature, he saved money, and embarked on his first commercial venture when he bought sugar in Hawaii for sale on the West Coast.

When the bank first opened, Bishop did most of the work, keeping the books, accepting deposits, making loans, and even sweeping out the little office at the end of the day. As the bank grew in prosperity, his basic frugality and character remained constant. When the firm moved into new quarters in 1876 there was no program of dedication. Bishop simply sent $25.00 each to the Ladies Stranger's Friend Society, the British Benevolent Society, the American Relief Fund, and the German Relief Fund.

Eventually Bishop became one of Hawaii's most respected businessmen, public servants, and benefactors. In 1850 he married Princess Bernice Pauahi, whose inheritance of the Kamehameha lands helped lay the foundations for the Kamehameha Schools. He later founded the Bishop Museum in her memory. In 1859 he was made a Noble, and served in the House of Nobles and the Privy Council during the reigns of Kamehameha IV, Lunalilo, Kalakaua, and Liliuokalani. He also served as Minister of Foreign Affairs and head of the Cabinet during Lunalilo's reign. His character is probably best summarized by his biographer Harold W. Kent:

> "Bishop combined judgement and restraint with a rare sense of propriety in business relations, and an uncanny ability to visualize new business possibilities. This characteristic accounted for his purchases of land as well as his willingness to go into sugar. Some of his investments were made to push an industry, others to save an industry. And his genius was that as he pushed and as he saved, he also profited. All of this, however, goes back to the fact that he was Bishop and Company. His humanity, his integrity, his cautiousness were embedded in the public image of his bank."

Charles Reed Bishop died in 1914 in Berkeley, California at the age of 93. According to his request, his ashes were placed alongside those of his wife in the Royal Mausoleum in Nuuanu Valley in Honolulu. On his grave marker were written the following words:

> "Builder of the State—Friend of the Youth—Benefactor of Hawaii—His Ashes Rest in the Tomb of the Kamehamehas."

This month, as First Hawaiian Bank, heir to his great legacy, celebrates its 125th anniversary, it is well to reflect upon the qualities of its founder. While banking may have changed considerably since his time, the basic qualities of integrity, diligence, moderation, compassion, and vision have continued as the basis of First Hawaiian's service to the people of Hawaii. As these qualities have been an integral part of First Hawaiian Bank through 125 years of its existence, may they continue to be so in the years ahead.

FIRST HAWAIIAN BANK
Established 1858 • Member of F.D.I.C.

# u. s. economic indicators

| Series | Unit | Period | Number | Percent Change from preceding period | Percent Change year ago |
|---|---|---|---|---|---|
| **GENERAL BUSINESS INDICATORS** | | | | | |
| COMPOSITE INDEX OF LEADING INDICATORS* | 1967 = 100 | June | 155.9p | 1.0 | 15.1 |
| GROSS NATIONAL PRODUCT** | | | | | |
| In Current Dollars | bil. $ | 2nd Qtr | 3,273.7p | 3.2 | 6.6 |
| In 1972 Dollars | bil. $ | 2nd Qtr | 1,521.4p | 2.1 | 2.2 |
| PERSONAL INCOME** | bil. $ | June | 2,734.1p | 0.5 | 6.3 |
| RETAIL SALES* | mil. $ | June | 99,120p | 0.7 | 11.9 |
| **BANKING AND CREDIT** | | | | | |
| DEBITS TO DEMAND DEPOSITS** | bil. $ | May | 60,382.1 | 5.9 | 17.6 |
| BANK LOANS* | bil. $ | June | 1,070.6p | 0.7 | 5.3 |
| AVERAGE PRIME RATE CHARGED BY BANKS | percent | July | 10.50 | 0.0 | −35.4 |
| CONSUMER INSTALLMENT DEBT* | mil. $ | May | 350,325 | 0.8 | 5.5 |
| **CONSTRUCTION** | | | | | |
| CONSTRUCTION PUT IN PLACE** | [1]bil. $ | June | 259.7p | 2.6 | 11.3 |
| CONSTRUCTION COST INDEXES | | | | | |
| Residences | 1967 = 100 | May | 336.4 | 1.2[1] | 6.4 |
| Apts, Hotel, Office Bldgs | 1967 = 100 | May | 340.8 | 1.2[1] | 5.6 |
| **EMPLOYMENT** | | | | | |
| CIVILIAN EMPLOYMENT* | thous. | June | 100,786 | 1.2 | 1.1 |
| UNEMPLOYMENT* | thous. | June | 11,146 | −0.4 | 6.5 |
| UNEMPLOYMENT RATE* | percent | June | 10.0 | −1.0 | 5.3 |
| **PRICES** | | | | | |
| CONSUMER PRICE INDEX (All Items) | | | | | |
| Urban Wage Earners and Clerical Workers (Revised) | 1967 = 100 | June | 297.2 | 0.3 | 2.4 |
| All Urban Consumers | 1967 = 100 | June | 298.1 | 0.3 | 2.6 |
| PRODUCER PRICE INDEXES | | | | | |
| Finished Goods* | 1967 = 100 | June | 285.0p | 0.5 | 1.8 |
| All Commodities | 1967 = 100 | June | 302.5p | 0.3 | 1.1 |

r = *revised.*
p = *preliminary.*
[1] *Compared to March, 1983.*
* *Seasonally adjusted.*
** *Seasonally adjusted at annual rates.*

*Sources:*
*General Business Indicators—U.S. Department of Commerce.*
*Banking and Credit—Board of Governors of the Federal Reserve System.*
*Construction—U.S. Department of Commerce. The American Appraisal Company.*
*Employment and Prices—U.S. Department of Labor, Bureau of Labor Statistics.*

# business activity in hawaii

| | | | | | |
|---|---|---|---|---|---|
| **TOURISM** | | | | | |
| OVERNIGHT OR LONGER VISITORS | number | May | 346,157p | 8.4 | 5.7 |
| | number | Jan.-May | 1,734,471p | ..... | 0.5 |
| Westbound | number | May | 260,745p | 5.8 | 9.2 |
| | number | Jan.-May | 1,351,095p | ..... | 1.6 |
| Eastbound | number | May | 85,412p | 17.0 | −3.6 |
| | number | Jan.-May | 383,376p | ..... | −3.1 |
| AVERAGE DAILY VISITOR CENSUS[1] | number | April | 81,195p | −20.1 | −9.9 |
| AVERAGE LENGTH OF STAY[1] | no. of days | April | 9.9 | −6.6 | −3.9 |
| MEETINGS ATTENDANCE | number | May | 10,257 | −47.6 | −16.3 |
| ORGANIZED GROUP TOURS | number | May | 56,631p | −18.6 | −3.3 |
| NEIGHBOR ISLAND VISITORS[1] | | | | | |
| Maui | number | May | 127,733p | 3.3 | 9.0 |
| | number | Jan.-May | 677,551p | ..... | 2.4 |
| Hawaii | number | May | 46,347p | −9.1 | −8.5 |
| | number | Jan.-May | 295,094p | ..... | 5.5 |
| Kauai | number | May | 54,259p | 11.1 | −10.1 |
| | number | Jan.-May | 257,634p | ..... | −17.0 |
| VISITOR ACCOMMODATIONS | | | | | |
| STATE | number | June | 58,901 | 0.2 | −0.8 |
| Oahu | number | June | 34,378 | 0.1 | −1.1 |
| Waikiki | number | June | 30,132 | 0.1 | −0.5 |
| Maui (includes 11 on Lanai) | number | June | 12,051 | −0.6 | 2.8 |
| Molokai | number | June | 629 | 0.2 | 13.3 |
| Hawaii | number | June | 7,368 | −1.4 | 3.7 |
| Kauai | number | June | 4,475 | 6.7 | −14.1 |
| HOTEL OCCUPANCY | | | | | |
| STATE | percent | June | 74.60 | 17.9 | 10.1 |

p = *preliminary.*
[1] *Estimated Westbound.*

## INTRODUCTION
## 125th Anniversary Issue

As First Hawaiian Bank celebrates 125 years of service to Hawaii, the Research Department is happy to announce a major expansion and revision of the statistical series published in the bimonthly ECONOMIC INDICATORS. New series on diversified agriculture and real estate have been added, the series on banking and finance has been revised, and the graphic format has been altered.

The series on diversified agriculture recognizes the growing importance of alternative forms of agriculture in a period of profound change in the industrial profile of the state. From 1971 to 1981, as sugar and pineapple fell from 70.5 percent to 60.7 percent of total agricultural output, other agricultural crops (including livestock products) rose from 29.5 percent to 39.2 percent of total agricultural output.

Real estate is a large segment of business in Hawaii. In 1982, total real estate transactions in Hawaii exceeded $3 billion. Along with construction and tourism, real estate functions as a major determinant in the swings in Hawaii's business cycle.

In the area of banking and finance, federal deregulation of banking has resulted in the increasing importance of savings and loan institutions in the provision of banking services. The series on banking and finance has thus been revised to include deposit and loan data for savings and loan associations.

Other statistical revisions include the elimination of hours and earnings data in the employment and unemployment series, and industrial production and deposit turnover data in the U.S. economic indicator series. In general, efforts were made to eliminate those national data series that were either not of widespread interest or did not allow comparison with Hawaiian data.

Changes in the presentation format include: (1) the replacement of handwritten with printed text; (2) the use of the back sheet for occasional articles; and (3) revisions in the graphic format. The objective of these changes is to enhance the visual quality of the ECONOMIC INDICATORS, while increasing its informational content. All constructive comments and suggestions are welcome and should be addressed to the Research Department; First Hawaiian Bank; P.O. Box 3200; Honolulu, Hawaii; 96847.

Dr. Gregory G. Y. Pai

## DIVERSIFIED AGRICULTURE

In spite of serious setbacks caused by Hurricane Iwa, the heptachlor controversy, and unseasonably dry weather, long-term secular growth in diversified agricultural crops suggests overall shifting trends in the structure of agriculture in Hawaii. Between 1971 and 1981, sugar and pineapple fell from 70.6 percent to 60.7 percent of total agricultural sales. Livestock products also declined from 19.4 percent to 18.0 percent, while diversified agricultural crops increased from 10.1 percent to 21.2 percent of total agricultural sales (See Table 1). Clearly, diversified ag-

# business activity in hawaii [cont.]

| Series | Unit | Period | Number | Percent Change from preceding period | Percent Change year ago |
|---|---|---|---|---|---|
| HOTEL OCCUPANCY (continued) | | | | | |
| Oahu | percent | June | 81.78 | 19.0 | 7.6 |
| Maui | percent | June | 79.09 | 13.3 | 17.1 |
| Hawaii | percent | June | 43.68 | 18.2 | 16.6 |
| Kauai | percent | June | 66.10 | 20.1 | 8.1 |
| **DEFENSE EXPENDITURES** | | | | | |
| APPROPRIATED FUNDS TOTAL | mil. $ | 1st Qtr. | 482.4p* | 7.7 | 20.5 |
| Military Payroll | mil. $ | 1st Qtr. | 184.7p* | 0.4 | 10.4 |
| Civilian Payroll | mil. $ | 1st Qtr. | 131.4p* | -9.8 | 11.5 |
| Local Purchases | mil. $ | 1st Qtr. | 166.3p* | 40.5 | 44.3 |
| **SUGAR** | | | | | |
| SUGAR PRODUCTION | thous. tons | Jan.-June | 491 | ..... | 31.1 |
| N. Y. RAW SUGAR PRICE | $/ton | June | 450.99 | -0.2 | 7.2 |
| **PINEAPPLE SHIPMENTS** | | | | | |
| CANNED[2] | mil. $ | Jan.-May | 59.0 | ..... | -13.6 |
| FRESH | thous. lbs. | Jan.-July | 143,199 | ..... | -11.1 |
| **DIVERSIFIED AGRICULTURE** | | | | | |
| CROPS | | | | | |
| Flowers & Nursery Products (wholesale) | thous. $ | 1982 | 30,559 | ..... | 3.7 |
| Anthurium Outshipments | th. dozens | Jan.-June | 728.9 | ..... | -5.4 |
| Potted Foliage[3] | thous. $ | 1982 | 8,820 | ..... | 21.4 |
| Other[4] | thous. $ | 1982 | 16,106 | ..... | -4.8 |
| Fruits & Nuts | thous. $ | 1982 | 41,982 | ..... | 0.0 |
| Papaya Sales | th. lbs. | Jan.-June | 21,165 | ..... | -7.1 |
| Average Farm Price | cents/lb. | June | 23.0 | -32.4 | -38.7 |
| Macadamia Nut Sales (in shell) | th. lbs. | 1982 | 36,720 | ..... | 10.1 |
| Average Farm Price | cents/lb. | 1982 | 73.9 | ..... | -6.8 |
| Other[5] | thous. $ | 1982 | 3,362 | ..... | 6.3 |
| Vegetable and Melon Production[6] | th. lbs. | Jan.-June | 33,147 | ..... | 26.8 |
| Other Crop Sales[7] | thous. $ | 1982 | 8,453 | ..... | -23.0 |
| LIVESTOCK | | | | | |
| Beef Production (dressed wt.) | th. lbs. | Jan.-June | 16,011 | ..... | 16.5 |
| Average Farm Price (feedlot beef) | cents/lb. | June | 105.0 | -2.3 | -7.1 |
| Hog Production (dressed wt.) | th. lbs. | Jan.-June | 2,986 | ..... | 0.4 |
| Average Farm Price | cents/lb. | June | 101.0 | -1.0 | 2.0 |
| Milk Production | mil. lbs. | Jan-June | 75.2 | ..... | 1.8 |
| Average Price Sold to Plants | $/100 lbs. | June | 18.66p | -7.2 | -9.5 |
| Egg Production | mil. | Jan.-June | 97.9 | ..... | -5.0 |
| Average Farm Price | cents/doz. | June | 84.0 | -1.8 | -3.4 |
| Other Livestock Sales[8] | $ thous. | 1982 | 5,814 | ..... | -1.3 |
| **CONSTRUCTION** | | | | | |
| CONSTRUCTION PUT IN PLACE | mil. $ | Jan.-May | 583.1 | ..... | -0.5 |
| **PRIVATE PERMITS AUTHORIZED** | | | | | |
| RESIDENTIAL | | | | | |
| STATE | thous. $ | Jan.-June | 174,475 | ..... | 38.9 |
| C&C of Honolulu | thous. $ | Jan.-June | 87,698 | ..... | 94.0 |
| Maui County | thous. $ | Jan.-June | 21,027 | ..... | -0.8 |
| Hawaii County | thous. $ | Jan.-June | 25,928 | ..... | -37.8 |
| Kauai County | thous. $ | Jan.-June | 39,822 | ..... | 127.5 |
| SINGLE FAMILY UNITS | | | | | |
| STATE | number | Jan.-June | 1,780 | ..... | 79.4 |
| C&C of Honolulu | number | Jan.-June | 943 | ..... | 401.6 |
| Maui County | number | Jan.-June | 281 | ..... | 4.5 |
| Hawaii County | number | Jan.-June | 430 | ..... | 4.9 |
| Kauai County | number | Jan.-June | 126 | ..... | 0.8 |
| MULTIPLE FAMILY UNITS | | | | | |
| STATE | number | Jan.-June | 247 | ..... | -51.7 |
| C&C of Honolulu | number | Jan.-June | 179 | ..... | 88.4 |
| Maui County | number | Jan.-June | 20 | ..... | -83.6 |
| Hawaii County | number | Jan.-June | 35 | ..... | -80.1 |
| Kauai County | number | Jan.-June | 13 | ..... | -89.0 |
| NONRESIDENTIAL | | | | | |
| STATE | thous. $ | Jan.-June | 98,493 | ..... | -4.7 |
| C&C of Honolulu | thous. $ | Jan.-June | 58,081 | ..... | -29.0 |
| Maui County | thous. $ | Jan.-June | 7,286 | ..... | 25.8 |
| Hawaii County | thous. $ | Jan.-June | 16,437 | ..... | 114.2 |
| Kauai County | thous. $ | Jan.-June | 16,688 | ..... | 105.6 |
| **PUBLIC CONTRACTS AWARDED** | | | | | |
| TOTAL GOVERNMENT PROJECTS BY LEVEL OF GOVERNMENT | thous. $ | Jan.-July | 130,904 | ..... | -36.7 |

p = *preliminary*

**Coast Guard figures not included.*

*[2]Gross taxable income valued at time of shipment.*

*[3]Potted foliage grown for indoor or patio use.*

*[4]Includes cut flowers, cut orchids, lei flowers, cut foliage, other potted plants, unfinished flowers and foliage stock, and other nursery products.*

*[5]Includes avocados, bananas, guavas, oranges, passion fruit, and tangerines.*

*[6]Includes snap beans, cabbage, celery, sweet corn, cucumbers, lettuce, onions, green peppers, tomatoes, and watermelons.*

*[7]Includes coffee, taro, feed and forage crops, and forest products.*

*[8]Includes broilers and chickens, turkeys, sheep, wool, horses, honey, and beeswax.*

ricultural production is assuming a larger share of total agricultural output as sugar and pineapple experience relative decline, and livestock production remains constant.

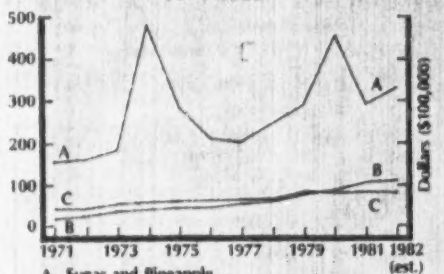
**TABLE 1**
**TRENDS IN AGRICULTURAL VALUE OF SALES: 1971-1981**

| Industry | 1971 Percent of Total | 1981 Percent of Total | Percent Change 1971-1981 | Average Annual Percent Change |
|---|---|---|---|---|
| Sugar and Pineapple | 70.5 | 60.7 | 90.4 | 17.4 |
| Diversified Agriculture | 10.1 | 21.2 | 365.1 | 16.7 |
| Vegetables and Melons | 3.2 | 4.4 | 203.9 | 11.9 |
| Fruits and Nuts | 3.4 | 8.6 | 464.8 | 19.4 |
| Coffee, Taro, Field Crops | 1.5 | 2.2 | 225.5 | 14.4 |
| Flower, Nursery Products | 2.0 | 6.1 | 560.1 | 20.9 |
| Livestock Products | 19.4 | 18.0 | 104.9 | 7.1 |
| Beef | 7.1 | 5.8 | 80.3 | 6.6 |
| Pork | 2.0 | 1.7 | 87.9 | 6.6 |
| Milk | 6.0 | 6.2 | 129.2 | 8.7 |
| Eggs | 3.4 | 4.1 | 103.8 | 7.9 |
| Other Livestock Sales | 0.9 | 1.2 | 85.5 | 6.9 |
| TOTAL | 100.0 | 100.0 | 121.0 | 14.1 |

Source: Hawaii Agriculture Reporting Service

Agricultural growth rates between 1971 and 1981 also strongly favored diversified agricultural crops. As shown in Figure 1, diversified agricultural crops passed livestock and livestock products in 1980 to become the third largest agricultural sector relative to sugar and pineapple.

**FIGURE 1**
**TRENDS IN AGRICULTURAL SALES: 1971-1982**




A. Sugar and Pineapple
B. Diversified Agricultural Crops
C. Livestock and Livestock Products

Source: Hawaii Agricultural Reporting Service

Growth rates in agricultural sales by individual sectors also showed strong upward trends for diversified agriculture both in terms of aggregate ten-year increases (see Figure 2), and average annual percentage changes (see Table 1).

**FIGURE 2**
**PERCENTAGE INCREASE IN AGRICULTURAL INDUSTRIES: 1971-1981**

A. Sugar and Pineapple
B. Vegetables and Melons
C. Fruits and Nuts
D. Coffee, Taro, and Field Crops
E. Flower, and Nursery Products
F. Beef
G. Pork
H. Milk
I. Eggs
J. Other livestock sales

Source: Hawaii Agricultural Reporting Service

# business activity in hawaii [cont.]

| Series | Unit | Period | Number | Percent Change from preceding period | Percent Change year ago |
|---|---|---|---|---|---|
| PUBLIC CONTRACTS AWARDED (continued) | | | | | |
| FEDERAL | thous. $ | Jan.-July | 16,111 | ..... | -83.8 |
| STATE | thous. $ | Jan.-July | 67,427 | ..... | -5.2 |
| COUNTY | thous. $ | Jan.-July | 47,365 | ..... | 31.1 |
| BY LOCATION OF PROJECT | | | | | |
| C&C of Honolulu | thous. $ | Jan.-July | 105,250 | ..... | -34.5 |
| Maui County | thous. $ | Jan.-July | 8,579 | ..... | -51.1 |
| Hawaii County | thous. $ | Jan.-July | 13,312 | ..... | -6.5 |
| Kauai County | thous. $ | Jan.-July | 3,763 | ..... | 14.2 |
| **HONOLULU CONSTRUCTION COST INDEXES** | | | | | |
| SINGLE FAMILY | 1967=100 | July | 333.4 | -1.0 | 10.3 |
| HIGH-RISE | 1967=100 | July | 351.6 | 0.0 | 7.5 |
| **REAL ESTATE** | | | | | |
| OAHU: New Sales | | | | | |
| Single Family | number | Jan.-July | 667 | ..... | 51.6 |
| Condominium | number | Jan.-July | 1,521 | ..... | 161.3 |
| Resales | | | | | |
| Single Family | number | Jan.-June | 770 | ..... | 20.1 |
| Average Price | dollars | Jan.-June | 185,990 | ..... | 8.7 |
| Condominium | number | Jan.-June | 1,041 | ..... | 14.0 |
| Average Price | dollars | Jan.-June | 103,780 | ..... | 0.0 |
| MAUI: Resales | | | | | |
| Single Family | number | Jan.-April | 24 | ..... | -31.4 |
| Average Price | dollars | Jan.-April | 199,249 | ..... | 71.8 |
| Condominium | number | Jan.-April | 53 | ..... | -37.6 |
| Average Price | dollars | Jan.-April | 165,487 | ..... | 5.0 |
| HAWAII: Resales | | | | | |
| Single Family | number | Jan.-April | 95 | ..... | 11.8 |
| Average Price | dollars | Jan.-April | 100,536 | ..... | 1.6 |
| Condominium | number | Jan.-April | 34 | ..... | 126.7 |
| Average Price | dollars | Jan.-April | 111,704 | ..... | -7.6 |
| KAUAI: Resales | | | | | |
| Single Family | number | Jan.-April | 12 | ..... | -20.0 |
| Average Price | dollars | Jan.-April | 121,371 | ..... | 4.1 |
| Condominium | number | Jan.-April | 8 | ..... | -27.3 |
| Average Price | dollars | Jan.-April | 167,875 | ..... | -0.6 |
| **BUSINESS SALES** | | | | | |
| GROSS BUSINESS RECEIPTS | mil. $ | Jan.-May | 9,168.0 | ..... | 5.7 |
| DIVERSIFIED MANUFACTURING | mil. $ | Jan.-May | 209.4 | ..... | -18.0 |
| DIVERSIFIED AGRICULTURE | mil. $ | Jan.-May | 93.9 | ..... | 19.7 |
| RETAILING | mil. $ | Jan.-May | 3,323.5 | ..... | 4.7 |
| WHOLESALING | mil. $ | Jan.-May | 2,266.8 | ..... | 11.1 |
| SERVICES | mil. $ | Jan.-May | 2,101.3 | ..... | 8.0 |
| OAHU NEW CAR SALES | number | April | 2,028 | -17.9 | 8.0 |
| **PUBLIC UTILITIES** | | | | | |
| ELECTRICITY GENERATED | mil. kwh | June | 566.3 | -0.1 | 0.2 |
| GAS SALES | th. therms | June | 3,999 | -0.6 | -1.8 |
| TELEPHONE LINES IN SERVICE | thous. | June | 449.8 | -0.1 | 3.1 |
| **HONOLULU PRICES** | | | | | |
| HONOLULU CONSUMER PRICE INDEX | | | | | |
| Urban Wage Earners and Clerical Workers (Revised), All items | 1967=100 | June | 273.4 | -1.3* | 1.7 |
| All Urban Consumers, All Items | 1967=100 | June | 271.4 | -0.5* | 0.9 |

*Compared to April, 1983.

*Sources:*

*Tourism—Hawaii Visitors Bureau, Pannell, Kerr, Forster.*

*Defense—Reports from various branches of the armed forces.*

*Sugar—Hawaiian Sugar Planters' Association.*

*Pineapple—Hawaii State Department of Taxation, Hawaii State Department of Agriculture.*

*Diversified Agriculture—Hawaii State Department of Agriculture.*

*Construction—Hawaii State Department of Taxation, Honolulu County Building Department, Hawaii, Kauai, and Maui County departments of public works.*

*Real Estate—Monitor Hawaii, Inc., Locations Inc., First Hawaiian Bank, Research Department.*

*Business Sales—Hawaii State Department of Taxation, Cardinal Mailing Services, Ltd.*

*Public Utilities—Hawaiian Electric Company, Inc., Citizens Utilities Company, Molokai Electric Co., Ltd., Gasco, Inc., Hawaiian Telephone Company.*

*Honolulu Prices—U.S. Department of Labor, Bureau of Labor Statistics.*

These trends are further emphasized in an analysis of physical production. Major increases in sugar prices caused upward distortions in value of sales data in 1974 and 1980 (see Figure 1). On the other hand, an analysis of the actual volume of crops marketed (see Table 2), shows an overall decline in sugar and pineapple production between 1971 and 1981 while diversified agricultural crops, with the exception of coffee and taro, showed strong overall as well as average annual increases in production. Livestock and livestock products remained relatively stable with marginal increases on a year-to-year basis.

**TABLE 2**
**TRENDS IN AGRICULTURAL OUTPUT: 1971-1981**

| Industry | Percent Change 1971-1981 | Average Annual Percent Change |
|---|---|---|
| **Sugar/Pineapple** | **-18.29** | **-1.56** |
| **Diversified Agriculture** | | |
| **Vegetables/Melons** | **48.37** | **3.09** |
| **Fruits/Nuts** | **150.85** | **8.49** |
| **Coffee/Taro** | **-31.19** | **4.08** |
| **Anthuriums** | **324.79** | **17.68** |
| **Livestock Products** | | |
| **Beef** | **-15.50** | **-0.72** |
| **Pork** | **3.09** | **0.51** |
| **Milk** | **12.39** | **0.85** |
| **Eggs** | **5.38** | **1.11** |
| **Other Livestock Products** | **61.47** | **2.65** |

**Source: Hawaii Agriculture Reporting Service**

Of the diversified agricultural crops export-oriented crops dominated total sales. In 1981, macadamia nuts, papayas, potted foliage plants, anthuriums, and coffee accounted for 88.7 percent of all diversified agricultural sales (excluding sugar, pineapple, and livestock products).

In terms of recent trends, of the major crops, macadamia nut production for the 1981-82 crop year exceeded the previous year's record high crop of 33.4 million pounds. New plantings during the 1981 and 1982 season increased existing acreage from 10,000 acres to 13,700 acres or 37 percent.

Papayas were hardest hit by recent weather conditions. After reaching a record high of 58.2 million pounds of fresh production in 1981, the industry was hit by a succession of disasters: Hurricane Iwa destroyed Kauai's papaya crop in November, 1982; record rainfalls in 1982 resulted in substantial tree and fruit losses; and a record drought hit the Big Island from December of 1982 through April 1983. As a result, production in 1982 fell to 44.2 million pounds, and is projected to increase only slightly to 45.0 million pounds by the end of 1983. However, predictions for the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# *population and personal income in hawaii*

| Series | Unit | Period | Number | Percent Change from preceding period | Percent Change year ago |
|---|---|---|---|---|---|
| **POPULATION** | | | | | |
| DE FACTO—STATE | thous | July 1, 1982 | 1,084p | ..... | 1.9 |
| TOTAL RESIDENT—STATE | thous | July 1, 1982 | 994p | ..... | 1.5 |
| C&C of Honolulu | thous | July 1, 1982 | 775p | ..... | 1.0 |
| Maui County | thous | July 1, 1982 | 80p | ..... | 5.6 |
| Hawaii County | thous | July 1, 1982 | 98p | ..... | 2.3 |
| Kauai County | thous | July 1, 1982 | 41p | ..... | 2.2 |
| CIVILIAN RESIDENT—STATE | thous | July 1, 1982 | 939p | ..... | 1.8 |
| MILITARY PERSONNEL—STATE | number | July 1, 1982 | 61,107 | ..... | −0.7 |
| Ashore | number | July 1, 1982 | 54,184 | ..... | 17.1 |
| Afloat | number | July 1, 1982 | 6,923 | ..... | −54.7 |
| CIVILIAN DEPENDENTS OF MILITARY | number | July 1, 1982 | 66,709 | ..... | 3.7 |
| FOREIGN IMMIGRATION[1] | number | 12 mo. total for period ending 7/83 | 5,364 | ..... | −24.0 |
| **PERSONAL INCOME** | | | | | |
| TOTAL PERSONAL INCOME** | mil. $ | 1st Qtr. 1983 | 11,967 | 2.2 | 6.5 |
| Employment Income[2] | mil. $ | 1st Qtr. 1983 | 8,767 | 0.5 | 6.2 |
| Manufacturing | mil. $ | 1st Qtr. 1983 | 442 | −1.6 | 5.7 |
| Construction & Mining[3] | mil. $ | 1st Qtr. 1983 | 482 | −0.6 | −1.0 |
| Wholesale | mil. $ | 1st Qtr. 1983 | 379 | 1.1 | 4.7 |
| Retail | mil. $ | 1st Qtr. 1983 | 994 | 1.5 | 5.1 |
| Finance, Ins. & Real Estate | mil. $ | 1st Qtr. 1983 | 597 | 3.1 | 11.4 |
| Trans., Comm., & Util. | mil. $ | 1st Qtr. 1983 | 783 | −2.1 | 5.2 |
| Services | mil. $ | 1st Qtr. 1983 | 1,922 | 1.0 | 7.7 |
| Farm & Other | mil. $ | 1st Qtr. 1983 | 290 | −4.6 | 7.4 |
| Federal Civilian | mil. $ | 1st Qtr. 1983 | 785 | 1.3 | 7.7 |
| Federal Military | mil. $ | 1st Qtr. 1983 | 1,024 | −0.5 | 2.6 |
| State & Local | mil. $ | 1st Qtr. 1983 | 1,067 | 2.0 | 8.8 |
| Property Income (Dividends, Interest, Rent) | mil. $ | 1st Qtr. 1983 | 2,176 | 10.6 | 5.7 |
| Transfer Payments (1,614) minus Personal Contributions For Social Ins. (591) | mil. $ | 1st Qtr. 1983 | 1,023 | 0.6 | 11.2 |
| **PER CAPITA PERSONAL INCOME** | | | | | |
| STATE PER CAPITA | dollars | 1982 | 11,602 | ..... | 5.2 |
| PER CAPITA BY COUNTY | | | | | |
| C&C of Honolulu | dollars | 1981 | 11,553 | ..... | 9.0 |
| Maui County | dollars | 1981 | 9,702 | ..... | 7.2 |
| Hawaii County | dollars | 1981 | 8,728 | ..... | 5.0 |
| Kauai County | dollars | 1981 | 9,132 | ..... | 7.2 |

*p = preliminary*

*** Total personal income and all components are seasonally adjusted at annual rates.*

*[1] These immigration statistics include only those entering Honolulu ports and do not include status changes.*

*[2] Includes wage and salary disbursements, proprietors' income, and other labor income.*

*[3] Income from mining not shown separately to avoid disclosure of confidential information.*

*Sources:*

*Population—Hawaii State Department of Planning and Economic Development, U.S. Bureau of the Census, U.S. Immigration and Naturalization Service.*

*Personal Income—U.S. Department of Commerce, Bureau of Economic Analysis.*

future are optimistic. Fields that were destroyed by Hurricane Iwa on Kauai have been replanted, and new plantings statewide are at record levels. According to the Papaya Administrative Committee, papaya yields are expected to increase in November of 1983, and continue upwards through 1984.

Flower and nursery products experienced the strongest gains of all diversified agricultural sectors with total sales exceeding $30 million in 1982. In spite of adverse weather and generally slow markets, potted foliage plants experienced a 21 percent increase over 1981. Although the volume of anthurium sales decreased in 1982, higher prices resulted in an increased sales value from $5.3 million to $5.6 million. Of the other flower crops, roses showed a 34 percent gain up to $1.4 million, while orchid and lei-flower crop production experienced slight declines due to the rainy weather in early 1982.

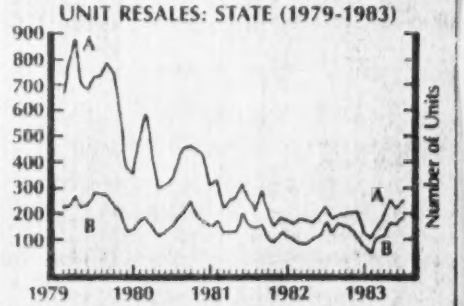
Thus, inspite of major setbacks, projected trends in all major diversified export crops remained positive.

## REAL ESTATE

Recent evidence on movements in the residential real estate market confirm widespread perceptions of firming and upward trends in all segments of the market including resales and new sales of single-family units and condominiums.

Signs of resurgence were most clear in the single-family and condominium resale market. Sales throughout the state for both single-family units and condominiums rose sharply in early 1983 after almost 4 years of steady decline from 1979 (see Figure 3). Condominiums show a higher volume of units sold and greater variability in trends because of the "lumpiness" or large increments of units brought on to the market at certain times. However, in terms of timing, condominiums and single-family units show almost simultaneous responses to overall market conditions.

**FIGURE 3**
**SINGLE-FAMILY AND CONDOMINIUM UNIT RESALES: STATE (1979-1983)**




A. Condominium Units
B. Single-Family Units
Source: Locations Inc.

ECONOMIC INDICATORS is a bimonthly publication of the Research Department of First Hawaiian Bank. Replication or quotation of materials is permitted with appropriate source designations. References used for the statistics in the various series are listed in the footnotes. While efforts have been expended to insure accuracy, statistical reliability will depend on the sources used. For a free subscription, write to: Research Department, First Hawaiian Bank; P.O. Box 3200; Honolulu, Hawaii; 96847.

HAWAIIAN BANK
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# employment and unemployment in hawaii

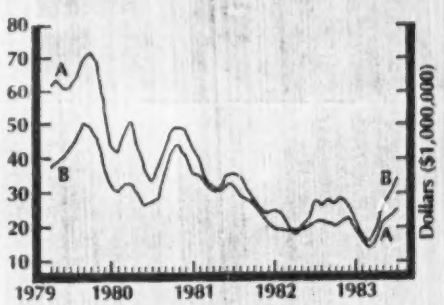
| Series | Unit | Period | Number | Percent Change from preceding period | Percent Change year ago |
|---|---|---|---|---|---|
| **EMPLOYMENT IN STATE AND COUNTIES (number of persons)** | | | | | |
| STATE | | | | | |
| Civilian Labor Force | thous. | June | 467.4p | 1.0 | 0.4 |
| Employment | thous. | June | 433.7p | 0.2 | 0.3 |
| Unemployment | thous. | June | 33.7p | 13.8 | 2.4 |
| Unemployment Rate | percent | June | 7.2p | 12.5 | 1.4 |
| C & C OF HONOLULU | | | | | |
| Civilian Labor Force | thous. | June | 356.5p | 0.5 | 0.1 |
| Employment | thous. | June | 333.9p | -0.2 | 0.2 |
| Unemployment | thous. | June | 22.6p | 11.1 | -0.9 |
| Unemployment Rate | percent | June | 6.3p | 10.5 | -1.6 |
| MAUI COUNTY | | | | | |
| Civilian Labor Force | thous. | June | 44.3p | 4.3 | 3.7 |
| Employment | thous. | June | 40.4p | 2.9 | 2.2 |
| Unemployment | thous. | June | 3.9p | 20.8 | 23.8 |
| Unemployment Rate | percent | June | 8.8p | 15.8 | 18.9 |
| HAWAII COUNTY | | | | | |
| Civilian Labor Force | thous. | June | 45.6p | 2.0 | 0.7 |
| Employment | thous. | June | 40.3p | 0.0 | 0.2 |
| Unemployment | thous. | June | 5.3p | 19.8 | 2.9 |
| Unemployment Rate | percent | June | 11.6p | 17.2 | 2.7 |
| KAUAI COUNTY | | | | | |
| Civilian Labor Force | thous. | June | 21.1p | 2.1 | -1.2 |
| Employment | thous. | June | 19.2p | 0.9 | -1.5 |
| Unemployment | thous. | June | 1.9p | 16.8 | 2.8 |
| Unemployment Rate | percent | June | 8.9p | 14.1 | 7.2 |
| **JOB COUNT BY INDUSTRY** | | | | | |
| TOTAL JOBS—STATE | thous. | June | 442.4p | 0.6 | -0.7 |
| SUGAR (mill and field) | thous. | June | 8.4p | 1.1 | -1.2 |
| PINEAPPLE (cannery and field) | thous. | June | 6.8p | 43.3 | -12.2 |
| DIVERSIFIED MANUFACTURING (excluding sugar and pineapple) | thous. | June | 15.3p | 1.4 | -2.5 |
| Durable Goods | thous. | June | 3.4p | 0.0 | -11.7 |
| Non-Durable Goods | thous. | June | 11.9p | 1.7 | 0.0 |
| Apparel and Textiles | thous. | June | 2.6p | 1.0 | -10.3 |
| DIVERSIFIED AGRICULTURE (excluding sugar and pineapple, but including agricultural self-employed) | thous. | June | 7.6p | 1.6 | -0.7 |
| CONTRACT CONSTRUCTION | thous. | June | 17.7p | -1.2 | -7.5 |
| TRANSPORTATION | thous. | June | 21.0p | 1.9 | -5.6 |
| COMMUNICATION | thous. | June | 7.3p | -0.1 | -2.0 |
| UTILITIES | thous. | June | 2.4p | 0.6 | -5.9 |
| RETAIL TRADE | thous. | June | 87.2p | 0.3 | 0.0 |
| WHOLESALE TRADE | thous. | June | 19.5p | 1.7 | 2.4 |
| FINANCE, INSURANCE AND REAL ESTATE | thous. | June | 31.8p | 0.7 | 0.3 |
| HOTEL SERVICES—STATE | thous. | June | 26.1p | -0.9 | -1.1 |
| Honolulu County | thous. | June | 14.7p | -1.0 | 1.0 |
| Maui County | thous. | June | 6.4p | -1.3 | -0.8 |
| Hawaii County | thous. | June | 3.1p | -2.1 | 0.0 |
| Kauai County | thous. | June | 1.9p | 3.6 | -15.6 |
| OTHER SERVICES | thous. | June | 74.4p | 0.7 | -0.3 |
| FEDERAL GOVERNMENT | thous. | June | 32.3p | 0.1 | 1.7 |
| Civilian Agencies | thous. | June | 11.2p | -0.2 | 0.5 |
| Defense Department | thous. | June | 21.1p | 0.3 | 2.2 |
| STATE GOVERNMENT | thous. | June | 45.8p | -4.7 | -0.1 |
| COUNTY GOVERNMENT | thous. | June | 12.6p | 1.0 | 0.4 |
| **UNEMPLOYMENT INSURANCE CLAIMS AND PAYMENTS** | | | | | |
| INSURED UNEMPLOYMENT (weekly average) | number | May | 17,757 | 12.8 | 52.9 |
| INTRASTATE INITIAL CLAIMS | number | May | 5,919 | 3.3 | -7.5 |
| INTERSTATE INITIAL CLAIMS | number | May | 369 | 5.4 | 13.2 |
| UNEMPLOYMENT INSURANCE BENEFITS | thous. $ | May | 8,199 | 14.6 | 40.2 |

p = preliminary.

Sources:
*Employment, Job Count, and Unemployment Insurance—Hawaii State Department of Labor and Industrial Relations.*

The same trends become evident in an examination of total sales value (see Figure 4). In general, although condominiums are less expensive than single-family dwellings, given the greater number of condominium transactions, value of resales trends for both condominiums and single-family units are very similar. Interestingly, however, since 1979 the **relationship** between condominium and single-family units has shifted dramatically. Between 1979 and 1983 condominiums fell from 62 to 42 percent of total sales, while single-family units increased from 38 to 58 percent of total sales.

**FIGURE 4**
**SINGLE-FAMILY AND CONDOMINIUM TOTAL VALUE OF RESALES: STATE (1979-1983)**

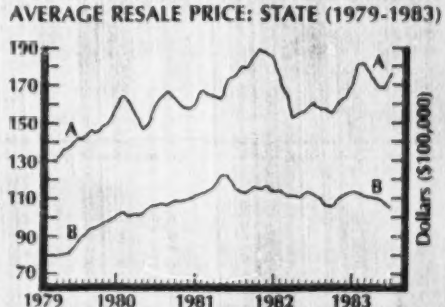



A. Condominiums: 3-month moving average
B. Single-Family Units: 3-month moving average

Source: Locations Inc.

The rising dominance of single-family resales is explained by trends in average prices (see Figure 5). Since the first quarter of 1982, as the market became more active, prices of single-family units showed a steady increase, notwithstanding a slight correction in the first quarter of 1983, while condominium prices showed a steady decline through 1982 and 1983. These patterns reinforce the basic differences between the single-family and condominium markets. While both types of units can be seen as "substitute goods" where one becomes a consumption alternative for the other, and both respond to interest rates in the same manner, the market for single-family units is far tighter than the market for condominiums.

**FIGURE 5**
**SINGLE-FAMILY AND CONDOMINIUM AVERAGE RESALE PRICE: STATE (1979-1983)**




A. Single-Family Units: 3-month moving average
B. Condominium Units: 3-month moving average

Source: Locations Inc.

# public assistance in hawaii

| Series | Unit | Period | Number | Percent Change from preceding period | Percent Change year ago |
|---|---|---|---|---|---|
| **PUBLIC ASSISTANCE** | | | | | |
| RECIPIENTS[1] | | | | | |
| Income Maintenance | no. persons | June | 64,335 | −0.8 | −0.9 |
| Services | no. cases | 2nd Qtr. | | | |
| Medical | no. patients | June | 58,073 | 8.7 | 27.0 |
| Food Stamps | no. persons | May | 101,777 | −1.3 | 5.6 |
| PAYMENTS | | | | | |
| Income Maintenance | thous. $ | June | 8,959 | 0.4 | −0.7 |
| Services | thous. $ | | | | |
| Medical | thous. $ | June | 17,708 | 47.3 | 54.8 |
| Food Stamps | thous. $ | May | 6,647 | −2.3 | 20.1 |

[1]Count of recipients is duplicated. A person may be counted in each category.

Sources:
*Public Assistance—Hawaii State Department of Social Services and Housing.*

# banking and finance in hawaii

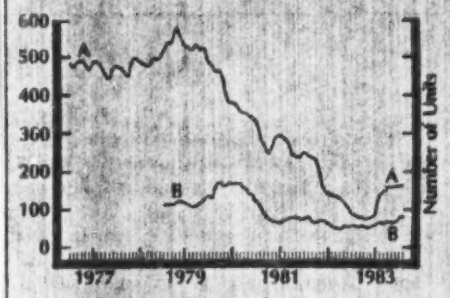
| Series | Unit | Period | Number | Percent Change from preceding period | Percent Change year ago |
|---|---|---|---|---|---|
| **FINANCE** | | | | | |
| COMMERCIAL BANKS | | | | | |
| Total Deposits | | | | | |
| STATE | mil. $ | June | 5,627.5 | 2.3 | 13.3 |
| Honolulu County | mil. $ | June | 4,653.0 | 2.6 | 12.2 |
| Maui County | mil. $ | June | 351.7 | 2.6 | 17.4 |
| Hawaii County | mil. $ | June | 410.0 | −0.2 | 17.1 |
| Kauai County | mil. $ | June | 212.8 | −0.9 | 24.7 |
| Debits to Demand Deposits | | | | | |
| STATE | mil. $ | June | 7,829.3 | 8.3 | −4.0 |
| Honolulu County | mil. $ | June | 7,220.9 | 8.6 | −4.4 |
| Maui County | mil. $ | June | 261.9 | 8.1 | 1.8 |
| Hawaii County | mil. $ | June | 242.8 | 5.2 | −2.9 |
| Kauai County | mil. $ | June | 103.7 | 1.0 | 11.2 |
| Loans Outstanding | mil. $ | 2nd Qtr. | 3,593 | −2.2 | 0.4 |
| Real estate | mil. $ | 2nd Qtr. | 1,604 | 0.1 | 4.9 |
| Consumer | mil. $ | 2nd Qtr. | 792 | −3.6 | −0.4 |
| Commercial & Industrial | mil. $ | 2nd Qtr. | 1,062 | −1.2 | 4.1 |
| Other | mil. $ | 2nd Qtr. | 136 | −23.2 | −42.3 |
| SAVINGS & LOAN ASSOCIATIONS | | | | | |
| Total Deposits | mil. $ | May | 3,497 | 1.1 | 8.0 |
| Loans | mil. $ | May | 40.5 | −37.9 | 15.9 |
| Residential | mil. $ | May | 9.7 | −80.2 | −55.0 |
| Other | mil. $ | May | 30.9 | 88.6 | 128.5 |
| **STATE TAX COLLECTIONS[1]** | | | | | |
| TAX COLLECTIONS—STATE | thous. $ | Jan.-June | 614,106 | ..... | 14.5 |
| Honolulu County | thous. $ | Jan.-June | 537,776 | ..... | 11.5 |
| Maui County | thous. $ | Jan.-June | 33,586 | ..... | 46.0 |
| Hawaii County | thous. $ | Jan.-June | 29,992 | ..... | 35.3 |
| Kauai County | thous. $ | Jan.-June | 12,753 | ..... | 44.9 |

[1]Excludes property taxes which were formerly collected by the State but are now collected by the Counties.

Sources:
*Finance—Hawaii State Department of Regulatory Agencies. Federal Deposit Insurance Corporation reports. Federal Home Loan Bank of Seattle*
*State Tax Collections—Hawaii State Department of Taxation.*

This relative difference between the single-family and condominium markets can be explained in terms of relative market supply. On a volume basis, as shown in Figure 6, throughout early 1983, new sales of condominiums far outpaced new sales of single-family units, which showed only modest increases through 1982 and 1983. Thus, while condominiums were experiencing an oversupply of units, single-family units were moving into a position of relative scarcity. This trend is confirmed in an examination of inventories. According to data from Monitor, Inc., inventories of single-family units showed a roughly 50 percent decline from 1981 to 1982, while inventories of condominium units **increased** roughly 30 percent during the same period. As inventories of single-family homes continue to diminish through 1983, prices can be expected to increase further, while prices of condominiums decrease.

**FIGURE 6**
**SINGLE-FAMILY AND CONDOMINIUM NEW SALES: OAHU (1976-1983)**




**A. Condominiums: 12-month moving average**
**B. Single-Family Units: 12-month moving average**
**Source: Monitor Hawaii, Inc.**

Whether the increase in price of single-family homes will be an adequate incentive to stimulate more new construction of single-family units as inventories diminish will in large part depend on the softness of the condominium market, and institutional constraints to further single-family unit development. Excessive inventories of condominiums can result in lowered demand in the single-family market, while institutional constraints limit the supply of new units, thereby keeping prices up and excluding would-be buyers. Furthermore, builders of single-family projects are moving more cautiously, developing in smaller, phased increments. Condominium developers are also active; but with high existing inventories no strong condominium building activity is expected until 1984.

Thus, while a strong overall increase in real estate activity is occurring, the extent to which it will contribute to overall housing supply and general economic recovery will depend on the rate of inventory depletion, initially for single-family units and secondly for condominiums, the interaction between supply and demand (and ultimately prices), and overall national interest rate movements. The fact that prime rates have recently shifted upward to 11 percent may be an early indication of the narrow margin of opportunity available for housing expansion.

# ECONOMIC INDICATORS

A Bimonthly Report on Current Economic Conditions in Hawaii
by the Research Department, First Hawaiian Bank

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## A MESSAGE FROM JOHN D. BELLINGER

*Chairman and Chief Executive Officer*

Economic conditions have not been easy in the recent past. The energy and resources of commercial banks were severely tested in 1982 as a recessionary economy, federal deregulation, high interest rates, and competition from unregulated nonbank institutions created serious pressures. However, with the recent decline in interest rates and upswing in business activity, I am happy to report that First Hawaiian's net income for the first half of 1983 was up 18.7% over the same period in 1982. First Hawaiian Bank's good performance was also accompanied by good performances by Hawaii Thrift and Loan Co. and First Hawaiian Leasing. So, as we observe our 125th birthday, it is my special pleasure to report that the First Hawaiian, Inc. family of companies is a healthy and profitable team.

However, a bank is also a service organization, and perhaps more than most businesses, must depend on its relationship with the community not only to sustain a healthy business climate, but to nurture that sense of trust upon which a sound fiduciary relationship can be built. A bank, especially one such as First Hawaiian Bank, shares an implicit covenant with the community which it serves, and in doing so shoulders a responsibility that cannot be taken lightly. The resources of the bank are the assets of the community. Thus, by fulfilling its own corporate mandate as a banking institution, the bank not only exercises control over the assets of the community, but incurs the responsibility for their safe and profitable disposition.

That sense of corporate responsibility of the bank to the community has been a part of First Hawaiian Bank since its founding in 1858 by Charles Reed Bishop. First Hawaiian Bank has been so closely associated with the development of the Hawaiian economy that the history of the bank is really the history of the economy of Hawaii. The whaling industry was the basis of much of the bank's earliest activities. As sugar increased in importance during the 1860s, Bishop saw its potential and provided strong support even during times of almost imminent disaster. In 1904, when James Dole began his first experiments with pineapples, a whole new industry was born. Those experiments were made possible by a loan from Bishop & Co. When the military began to exert its presence in the islands during World War I, the bank opened a branch in Schofield Barracks in 1914, and has continued to service the military since then. As tourism grew in importance, so did the participation of First Hawaiian Bank. Some of the earliest hotels in Waikiki including the Royal Hawaiian Hotel and the Halekulani were financed in part by First Hawaiian Bank.

In addition to its involvement in the economy of Hawaii, First Hawaiian Bank has also been known as a bank deeply committed to the people of Hawaii. In the early years, Charles Bishop and Samuel Damon were not only the leading businessmen of their time, but were also leaders in affairs of state. Samuel Damon, a man of keen financial ability, served as Minister of Finance for the Hawaiian Kingdom under King Kalakaua in 1887. For three separate incumbencies, under the monarchy, the provisional government, and the republic, he administered the financial affairs of Hawaii ably and wisely. Charles Bishop not only served as Collector General of Customs for the Hawaiian Kingdom, but also as a member of the Privy Council and the House of Lords during the reigns of Kamehameha V, Lunalilo, Kalakaua, and Queen Liliuokalani. Under King Lunalilo he served as head of the cabinet and Minister of Foreign Affairs.

Charles Bishop's reputation as a philanthropist and public benefactor is legendary. He was instrumental in the founding of the Bishop Museum and the Kamehameha Schools, through the estate of his wife, Bernice Pauahi. Schools that he had been associated with include the Mid-Pacific Institute, Sacred Hearts Convent, St. Andrew's Priory, and Punahou School. He was president of the Board of Education for twenty-one years, from the time of King Lunalilo to the birth of the Republic. In the field of religion he gave support to the Central Union Church, the Kawaiahao Church, the North Pacific Missionary Institute and the Bishop Memorial Chapel on the campus of the Kamehameha Schools. His support for medical institutions was equally generous, including the Queen's Hospital, the Children's Hospital, Kapiolani Hospital, and the Leahi Hospital.

Bishop's personal philanthropy set the tone and tenor for First Hawaiian's prominence as a corporate benefactor. His personal standards of involvement and excellence have become guidelines to emulate.

As Hawaii has grown, so has the bank. From the days of the whaling ships, to the heyday of sugar and pineapple, through World War II, and into the age of tourism, First Hawaiian Bank has grown from humble beginnings into a major international corporation. While we feel a deep sense of achievement and satisfaction looking back over 125 years of our history, let us not forget the vision and diligence of those men and women who made it all possible, but let us also remember the community in whose service we have come to be what we are.